Livestock and Meat Situation

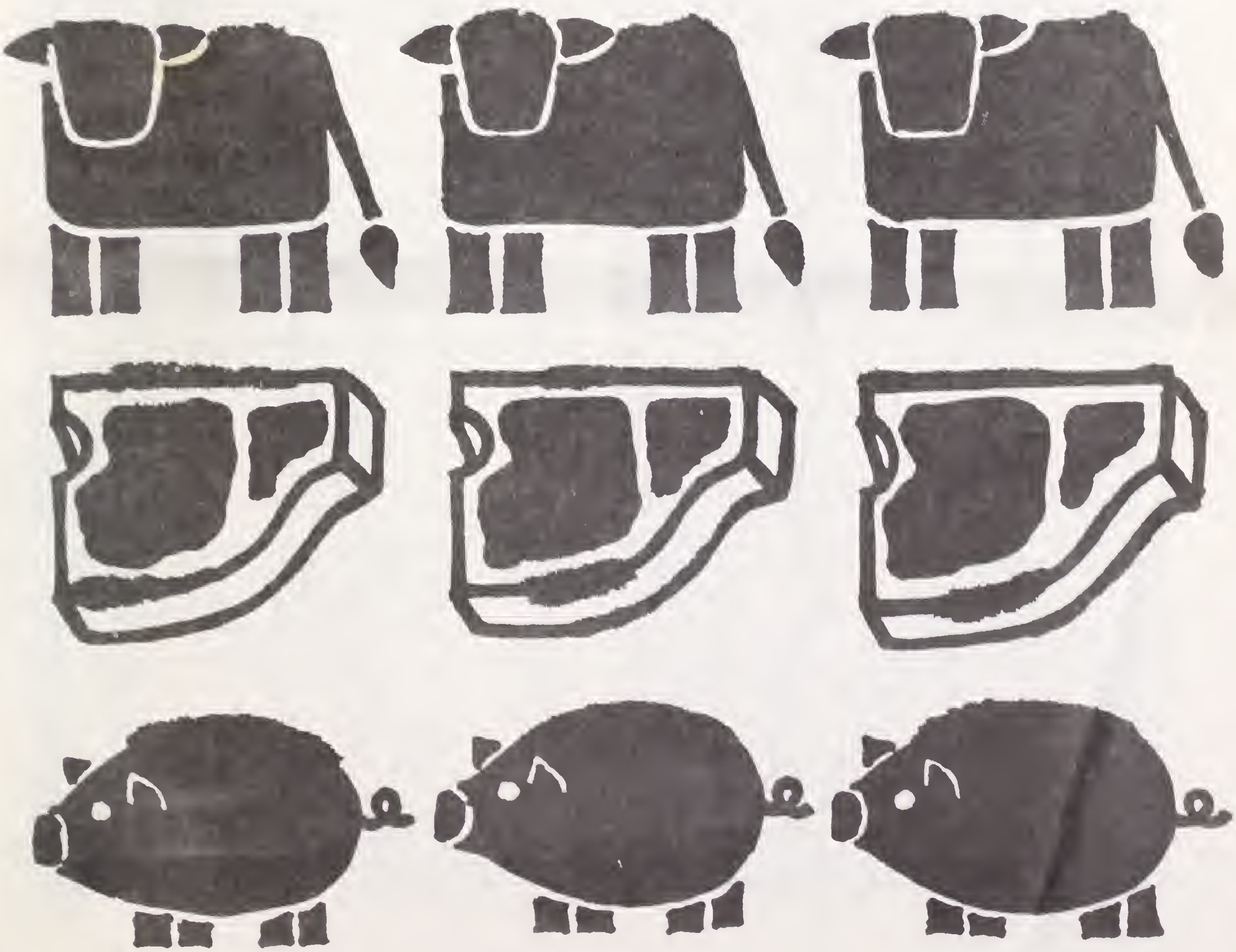
Economics, Statistics, and Cooperatives Service

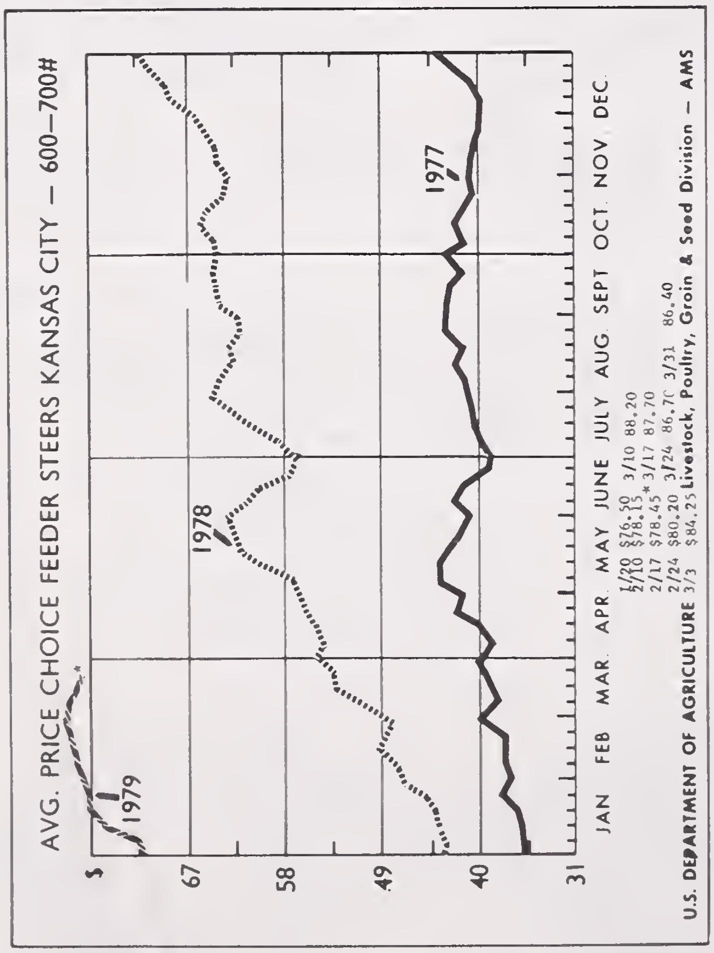
U.S. Department of Agriculture

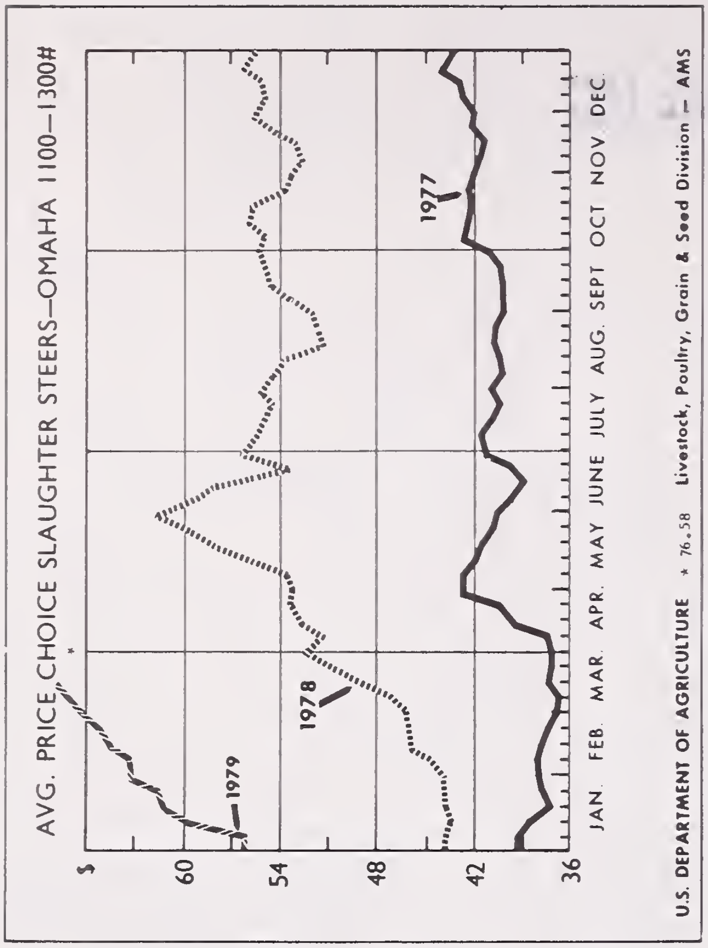
Approved by the World Food and Agricultural Outlook and Situation Board

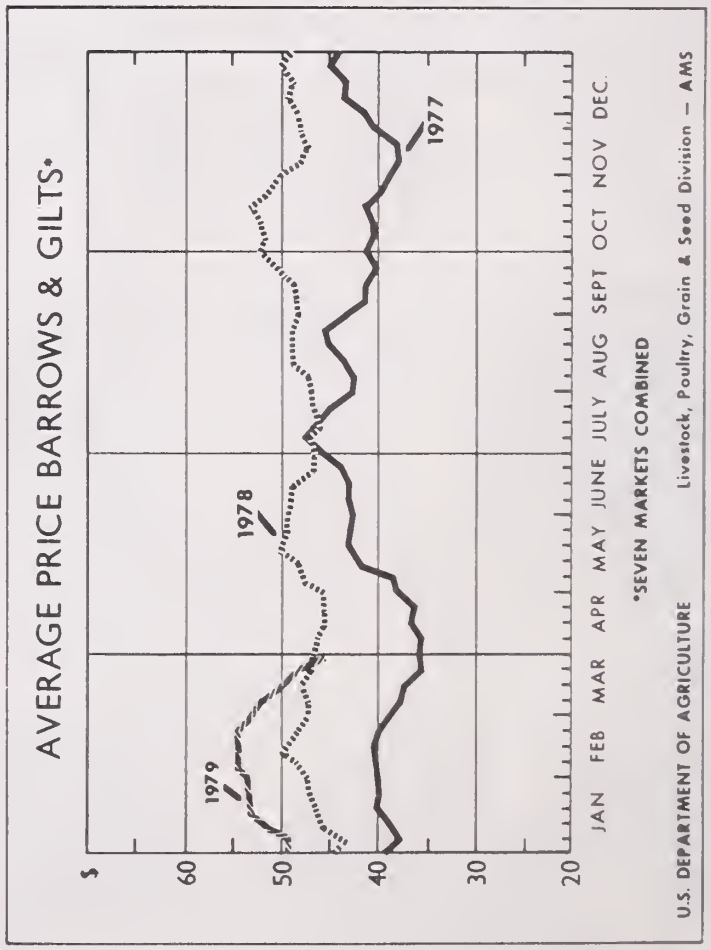
LMS-226

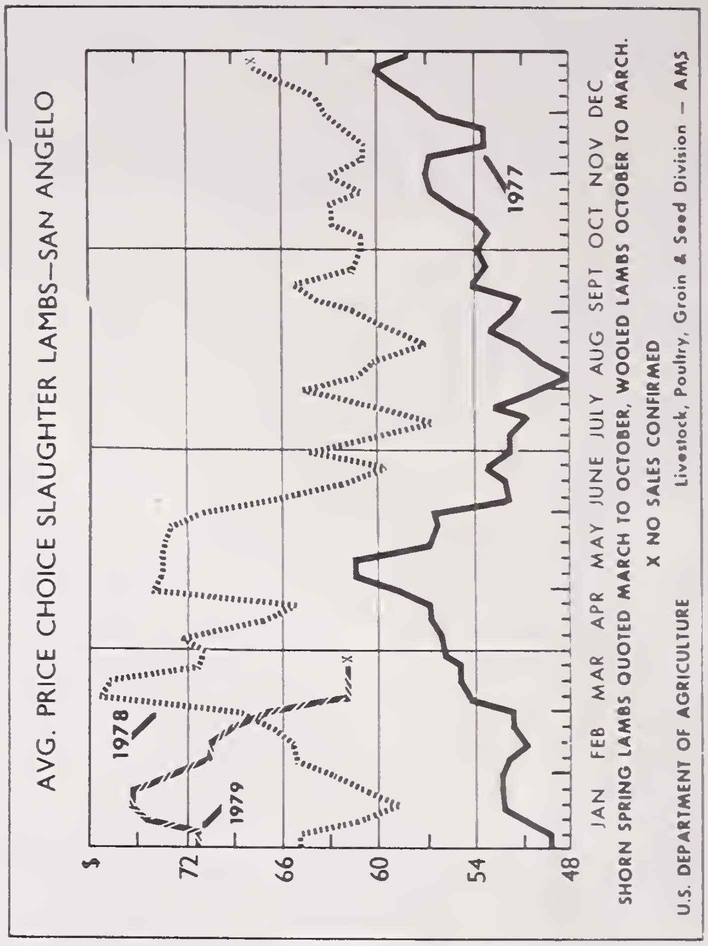
APRIL 1979




AVG. PRICE CHOICE FEEDER STEERS KANSAS CITY — 600–700#
$
67
58
49
40
31
1979
1978
1977
JAN FEB MAR. APR. MAY JUNE JULY AUG. SEPT OCT. NOV. DEC.
1/20 $76.50 3/10 88.20
2/10 $78.15 3/17 87.70
2/17 $78.45* 3/24 86.70
2/24 $80.20 3/31 86.40
3/3 $84.25
U.S. DEPARTMENT OF AGRICULTURE Livestock, Poultry, Grain & Seed Division — AMS


AVG. PRICE CHOICE SLAUGHTER STEERS—OMAHA 1100–1300#
$
60
54
48
42
36
1979
1978
1977
JAN. FEB. MAR. APR. MAY JUNE JULY AUG. SEPT. OCT. NOV. DEC.
U.S. DEPARTMENT OF AGRICULTURE * 76.58 Livestock, Poultry, Grain & Seed Division — AMS


AVERAGE PRICE BARROWS & GILTS*
$
60
50
40
30
20
1979
1978
1977
JAN FEB MAR APR MAY JUNE JULY AUG SEPT OCT NOV DEC.
*SEVEN MARKETS COMBINED
U.S. DEPARTMENT OF AGRICULTURE Livestock, Poultry, Grain & Seed Division — AMS


AVG. PRICE CHOICE SLAUGHTER LAMBS—SAN ANGELO
$
72
66
60
54
48
1979
1978
1977
JAN FEB MAR APR MAY JUNE JULY AUG SEPT OCT NOV DEC
SHORN SPRING LAMBS QUOTED MARCH TO OCTOBER, WOOLED LAMBS OCTOBER TO MARCH.
X NO SALES CONFIRMED
U.S. DEPARTMENT OF AGRICULTURE Livestock, Poultry, Grain & Seed Division — AMS

LIVESTOCK AND MEAT SITUATION

CONTENTS

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and Summary released
April 3, 1979

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Washington, D.C. 20250

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The *Livstock and Meat Situation* is published in February, April, June, August, October and December.

SUMMARY

Total red meat and poultry consumption is expected to be near the year-earlier level each quarter this year, but the mix is changing substantially—more pork and poultry, slightly less fed beef, and considerably less processing beef.

Rising consumer incomes have supported a continued strong demand for all meat products. During the past 6 months, consumer disposable income has been up 10-12 percent from a year ago. This increase in consumer spending power, coupled with reduced beef supplies, has resulted in substantially higher prices for beef.

Hog production is expanding more rapidly than anticipated. Farrowings were up 16 percent from a year earlier this past winter, and producers say they'll farrow 24 percent more sows this spring. Pork production in the second quarter probably will exceed the year-earlier level by 10 percent. Summer production should equal or exceed that of the spring quarter and be around 16 percent larger than a year ago. Pork output this fall will be the highest since 1970.

However, beef production may be 8 percent below year-earlier levels this spring and summer—down more than many analysts had expected. Fed beef will comprise about 80 percent of commercial beef production during this period. Nonfed beef production is expected to be substantially lower than a year ago—perhaps near 40 percent less.

Retail pork prices will decline, but the extent of their decline will be limited by the reduced beef supply. Retail pork prices will decline from the early 1979 level but are expected to average just above 1978's $1.44 per pound. Retail prices for Choice grade beef probably will peak sometime during the summer, and for the year, average more than 20 percent over 1978's $1.82 per pound.

Choice steer prices are expected to average near $70 for the spring and summer quarters. Hog prices likely will hold in the mid-$40's this spring and summer.

Cattle prices have increased to the point where more heifers are being held for herd replacement, and cow slaughter has dropped about 30 percent

below a year earlier. Furthermore, owners are expected to hold larger numbers of young cattle on grass this spring for a further increase in value—both from weight gains and expected further price increases.

Commercial cattle slaughter probably will not exceed 35 million head this year. Calf slaughter may be reduced a third. Thus it now appears that the sharp decline in the cattle herd during the past 4 years will be halted this year.

SITUATION AND OUTLOOK

Commercial Meat Production and Livestock Prices

	1977		1978				1979[1]		
	III	IV	I	II	III	IV	I	II	III
Production:									
Beef (mil. lb.)	6,321	6,220	6,106	5,938	5,923	6,043	5,550	5,400	5,425
% Δ year earlier	-4	-3	-3	-4	-6	-3	-9	-9	-8
Pork (mil. lb.)	3,073	3,500	3,243	3,265	3,160	3,541	3,400	3,600	3,675
% Δ year earlier	+2	-5	-2	+3	+3	+1	+5	+10	+16
Lamb and Mutton (mil. lb.)	84	81	75	76	73	76	70	75	75
% Δ year earlier	-9	-12	-17	-12	-13	-6	-7	-1	+3
Veal (mil. lb.)	205	201	178	149	139	134	115	90	90
% Δ year earlier	0	-10	-11	-20	-32	-33	-35	-40	-35
Total Red Meat (mil. lb.)	9,683	10,002	9,602	9,428	9,295	9,794	9,135	9,165	9,265
% Δ year earlier	-2	-4	-3	-2	-4	-2	-5	-3	0
Broilers[2] (mil. lb.)	2,424	2,248	2,327	2,547	2,567	2,443	2,560	2,750	2,775
% Δ year earlier	+2	+3	+8	+6	+6	+9	+10	+8	+8
Turkeys[2] (mil. lb.)	672	645	228	400	680	676	285	480	725
% Δ year earlier	-5	-3	+9	+10	+1	+5	+25	+20	+7
Total Red Meat & Poultry (mil. lb.)	12,779	12,895	12,157	12,375	12,542	12,913	11,980	12,395	12,765
% Δ year earlier	-2	-3	-1	0	-2	0	-1	0	+2
Prices:									
Choice steers, Omaha 900-1100 lb. $/cwt.	40.47	42.42	45.77	55.06	53.75	54.76	65.42	69-71	70-72
Barrows & gilts, 7 mkts. $/cwt.	43.85	41.38	47.44	47.84	48.52	50.05	51.98	45-47	43-45
Slaughter lambs, Choice, San Angelo $/cwt.	51.88	56.50	67.67	69.14	61.07	63.44	68.97	70-72	67-69
Broilers, 9-city avg.[3] Cents/lb.	42.4	37.6	41.8	47.6	46.6	42.1	47.5	48-50	47-49
Turkeys, New York[4] Cents/lb.	53.1	61.3	60.2	61.4	68.2	77.1	70.2	64-66	62-64

[1] Forecast. [2] Federally inspected. [3] Wholesale weighted average. [4] Wholesale, 8-16 lb. young hens.

HOGS

The March Hogs and Pigs report indicated that December-February farrowings in the 14 major hog-producing States were up 16 percent, and that farrowings during March-May may be up 24 percent from a year ago. The inventory of all hogs and pigs on farms in the 14 States on March 1, 1979 was 13 percent above a year ago, the largest March 1 inventory since 1971. The inventory of market hogs was 12 percent larger and the inventory of breeding hogs was 20 percent larger than 1978. The large breeding inventory and farrowing intentions portend large increases in pork production and falling hog prices for the second half of the year.

Last December, the Hogs and Pigs report indicated that a major expansion in pork production was underway. The breeding inventory was up 11 percent at that time and producers intended to increase farrowings during December-May by 15 percent. However, the severe winter weather and many reports of high death losses and poor conception rates had caused many analysts to doubt that the expansion would be as large as indicated. The winter apparently did not take the heavy toll many thought it would.

Winter Pork Production and Prices Up

Early indicators of winter quarter slaughter pointed to an increase of about 3 percent in hog slaughter over a year earlier, with the greatest increase occurring in March. First-quarter slaughter was up about 3 percent, but the marketing pattern was different than expected. Slaughter was above year-ago levels during January, but slowed during February as a result of extremely cold weather and heavy snows. Slaughter during the first week of February was 9 percent below last year and remained low for much of the month. Slaughter during the last half of March was more than 10 percent larger than a year earlier. The

increase was greater than the December 1, 1978 inventory data had suggested, indicating that hogs kept from market in February were moving to slaughter during March.

Although dressed weights declined seasonally from last fall, weights during the first quarter were still about 3 pounds above last year's average. Heavier dressed weights boosted first-quarter pork production about 5 percent above levels of a year ago.

First-quarter market hog prices were volatile. Barrow and gilt prices at 7 markets were below $50 per hundred pounds during the first week of January. By mid-February, prices increased to nearly $55, boosted by lower than expected hog slaughter and a reduced cattle kill. As hog slaughter increased during March, prices fell to the mid-$40's. For the first quarter, the 7 market price for barrows and gilts averaged $52, up about $5 from a year ago.

Second-Quarter Production To Increase

During the second quarter, hog slaughter will continue above year-earlier levels. Market hogs weighing 60 to 179 pounds on March 1 will provide most of the slaughter during the second quarter. There were 11 percent more hogs in this weight category than last year in the 14 States surveyed.

Hog-feed price ratios should continue favorable for feeding during the second quarter, so dressed weights are expected to be near those of last year. Pork production in April to June could be about 3.6 billion pounds, up 6 percent from the winter quarter and 10 percent from last year.

Hog prices usually decline seasonally during the second quarter and are expected to decline again this year. The expected increase in pork production will put further pressure on hog prices. Broiler production during the second quarter is expected to increase 7 to 9 percent over last year's output and will add more pressure on pork prices. However, declining beef production will offset most of the gain in poultry and pork output. Barrow and gilt prices are expected to average near $46, down about $2 from last year and $6 below the January-March 1979 average.

Spring Pig Crop May Be Up 20 Percent

The March Hogs and Pigs report estimated winter farrowings to be up 16 percent, more than most industry analysts had anticipated. Iowa and Illinois, the two largest hog-producing States, increased farrowings by 13 percent. However, the larger increase in farrowings occurred in States bordering these two. Farrowings were up 16 percent in Minnesota, 27 percent in Wisconsin, 20 percent in Indiana, 18 percent in Missouri, and 34 percent in Nebraska.

The average number of pigs saved per litter was 6.87, nearly the same as a year ago. This was the third year in a row that the number of pigs saved per litter was below trend. Observers in the Midwest reported that transmissible gastroenteritis (TGE), which causes high death losses in baby pigs, was once again widespread. The addition of many gilts to the breeding herd also contributed to the low number of pigs saved per litter. Gilts farrowing their first litter commonly have smaller litters than mature sows. Also, the performance of a gilt is uncertain until after the first litter. The 14 State December-February pig crop was estimated at 18.3 million head, 17 percent greater than last year.

The March-May pig crop is expected to show an even larger increase over a year ago. Farmers in the 14 States reported that about 24 percent more sows will farrow during this period than during the same period last year.

The expected increase in farrowings is supported by a 20 percent larger breeding inventory. Federally inspected sow slaughter during December-February was almost 9 percent below last year; this reduction in sow slaughter contributed to the growth of the breeding inventory.

If farrowing intentions are realized and the number of pigs saved per litter remains near year-ago levels, the spring pig crop could be 24 percent greater than last year. Although farmers can do little at this time to alter spring farrowings, conception rates could have been low once again because of the extremely cold weather and disease problems during the breeding season and could cause actual farrowings to fall below intentions.

Third-Quarter Hog Slaughter To Increase

Third-quarter hog slaughter will be drawn mainly from the inventory of market hogs that weighed less than 60 pounds on March 1, 1979. These market hogs are mainly the product of the December-February pig crop. The inventory of market hogs in this weight category in the 14 States surveyed was up 14 percent, although the pig crop was estimated to be up 17 percent. Death losses during December-February were estimated to be about 25 percent greater than last year.

Hog slaughter in the third quarter is likely to be up slightly from the second quarter and more than the suggested 14-percent increase in the hogs under 60 pounds on March 1, since the slaughter of breeding stock is expected to be greater this summer than it was last summer. Also, hogs were marketed at very heavy weights in the fourth quarter of 1978, so some market hogs were apparently held

back during the third quarter. This year, increased slaughter is expected to drive prices lower, so some farmers may market hogs at lighter weights to beat the price decline. Hog slaughter in the third quarter could be near 21.8 million head, about 17 percent greater than a year ago. Lower dressed weights may keep the increase in pork production below 17 percent.

Fourth-Quarter Hog Slaughter May Be Largest Since 1970

Slaughter in the fourth quarter will be drawn largely from the March-May pig crop. If farrowing intentions are realized, slaughter could be up sharply from the third quarter of 1979 and the fourth quarter of a year ago, possibly exceeding 25 million head. Such an increase in slaughter is likely to drive prices down further, possibly resulting in some liquidation of the breeding herd, which in turn would add additional pressure to declining hog prices.

Hog slaughter might exceed 1.9 million head per week during the fourth quarter. These would be the greatest weekly runs since the fourth quarter of 1970.

Second-Half Prices To Decline

In addition to the pressure of large pork supplies in the last half of 1979, hog prices will also be under pressure from increases in poultry production. Prices may decline substantially from the first-quarter level, but higher beef prices and strong consumer demand for meat will limit the decline in pork prices.

Prices are expected to decline more rapidly at the farm level than at the retail level. The share of the retail price returned to hog farmers may decrease considerably, especially during the fourth quarter, since packers will not have to bid as aggressively for hogs in order to operate at economic levels. When hog slaughter peaked in the fourth quarter of 1970, the farmers' share of the retail value fell to 41 percent. The farmers' share may fall to the low 40's during the fourth quarter, compared with approximately 53 percent currently.

Market hog prices may average in the mid-$40's during the third quarter, but may decline to the low $40's during the fourth quarter. If market prices average in the low $40's during the fourth quarter, many farmers would be selling hogs at less than the total cost of production, but would still be covering cash costs.

Commercial pork production in 1979 may be near 15 billion pounds, approximately 13 percent greater than last year. At this level of production, per capita pork consumption for the year would be near 69 pounds, the largest since 1974. Retail prices for pork are expected to fall below year-ago levels by the fourth quarter, but the annual average may still be above the average price in 1978. Market hog prices may average near $45-$46 in 1979, compared to the 1978 average of $48.49.

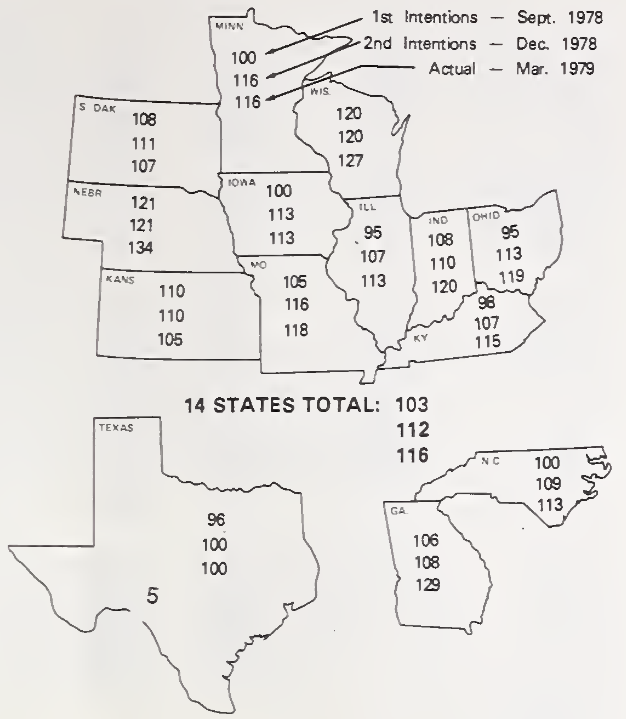
Table 1—Pork supplies and prices

Year	Estimated commercial slaughter[1]				Average dressed weight	Commercial production	Per capita consumption[2]	Prices		
	Barrows and gilts	Sows	Boars	Total				Retail[3]	Barrows and gilts 7 markets[3]	Farm
	1,000 head				*Lb.*	*Mil lb.*	*Lb.*	*Cents per lb.*	*$/cwt.*	
1976: I	16,605	694	132	17,431	170	2,958	14.4	141.2	47.99	47.10
II	15,962	718	141	16,821	169	2,847	13.5	138.2	49.19	47.93
III	16,872	964	147	17,983	168	3,014	14.4	137.1	43.88	43.30
IV	20,215	1,184	150	21,549	170	3,669	17.2	119.6	34.25	33.57
Year	69,654	3,560	570	73,784	169	12,488	59.5	134.0	43.11	42.98
1977: I	18,522	1,031	217	19,770	167	3,294	15.6	120.5	39.08	38.23
II	17,582	950	211	18,743	170	3,184	14.9	121.7	40.87	39.57
III	17,002	1,086	205	18,293	168	3,073	14.7	131.0	43.85	42.63
IV	19,139	1,167	191	20,497	171	3,500	16.3	128.2	41.38	39.73
Year	72,245	4,234	824	77,303	169	13,051	61.5	125.4	41.07	40.04
1978: I	18,200	1,011	194	19,405	167	3,248	15.2	137.0	47.44	46.20
II	17,940	906	196	19,042	171	3,265	15.0	142.4	47.84	46.77
III	17,343	1,025	185	18,553	170	3,160	15.0	144.7	48.52	46.77
IV	19,037	1,096	182	20,315	174	3,541	16.2	150.1	50.00	48.60
Year	72,520	4,038	757	77,315	171	13,209	61.4	143.6	48.49	47.08
1979:[4] I	18,725	975	180	19,880	171	3,400	15.7	155.0	51.98	50.93
II										
III										
IV										
Year										

[1] Classes estimated. [2] Total, including farm production. [3] Annual average weighted. [4] Forecast.

SOWS FARROWING

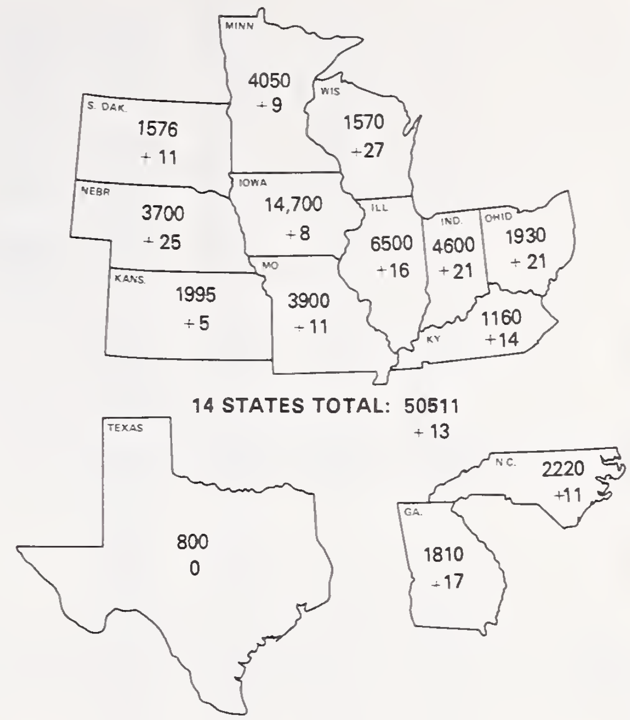
DEC. — FEB. 1979
AS PERCENT OF PREVIOUS YEAR



USDA NEG. ESCS 3038-79 (3)

HOGS ON FARMS

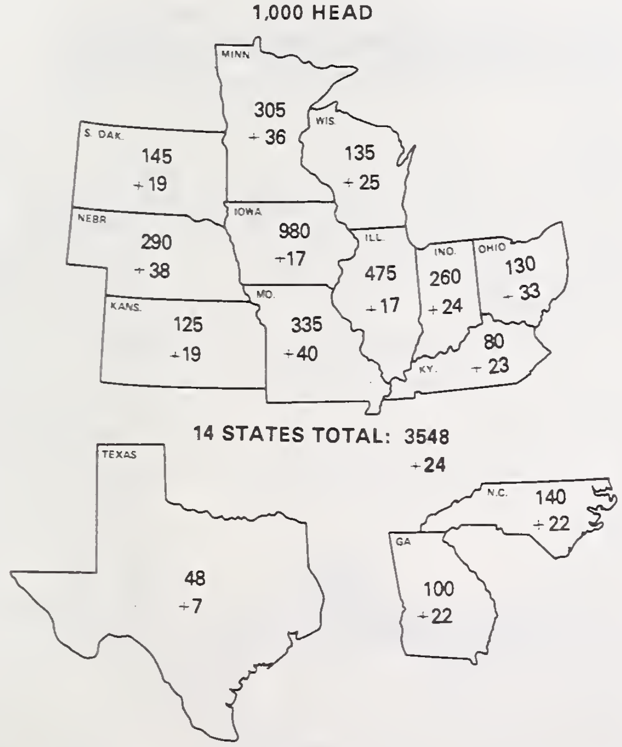
MARCH 1, 1979
AND PERCENT CHANGE FROM PREVIOUS YEAR
1,000 HEAD



USDA NEG. ESCS 824-79 (3)

SOWS FARROWING*

MARCH-MAY, 1979
AND PERCENT CHANGE FROM PREVIOUS YEAR
1,000 HEAD

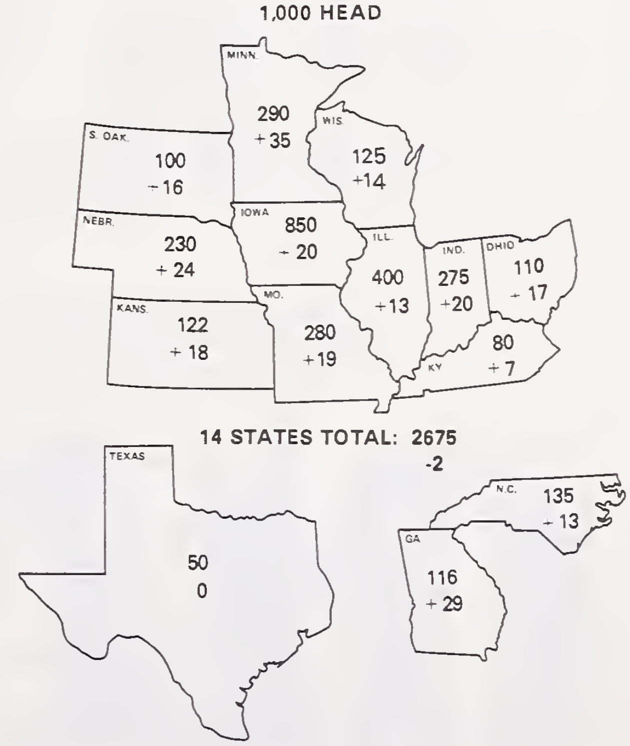


* Intentions.

USDA NEG. ESCS 943-79 (3)

SOWS FARROWING*

JUNE-AUGUST, 1979
AND PERCENT CHANGE FROM PREVIOUS YEAR
1,000 HEAD



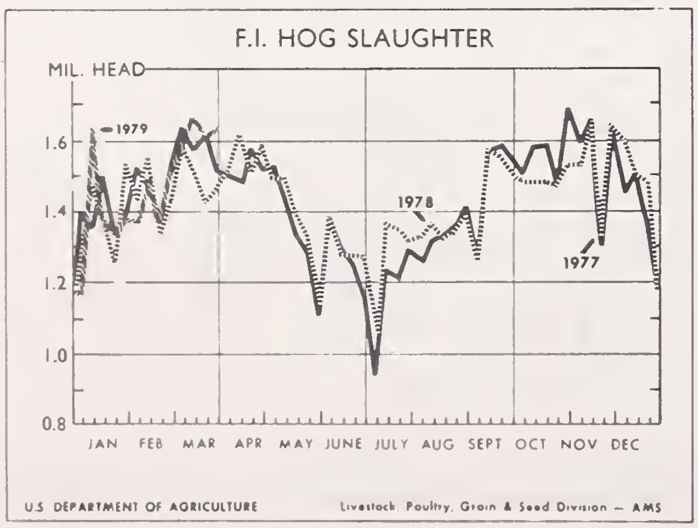
* Intentions.

USDA NEG. ESCS 823-79 (3)

Federally inspected hog slaughter

Week ended 1978[1]	1975	1976	1977	1978	1979
	Thousands				
Jan. 6	1,588	1,407	1,399	1,247	1,179
13	1,432	1,326	1,357	1,473	1,625
20	1,385	1,227	1,495	1,376	1,389
27	1,450	1,203	1,344	1,261	1,345
Feb. 3	1,424	1,208	1,388	1,527	1,383
Feb. 10	1,419	1,234	1,520	1,437	1,381
17	1,340	1,168	1,470	1,551	1,488
24	1,352	1,255	1,379	1,348	1,367
Mar. 3	1,453	1,273	1,534	1,424	1,533
Mar. 10	1,395	1,422	1,632	1,579	1,592
17	1,393	1,403	1,568	1,508	1,662
24	1,315	1,383	1,609	1,422	1,607
31	1,404	1,388	1,518	1,452	1,641
Apr. 7	1,439	1,387	1,502	1,508	1,645
14	1,478	1,290	1,488	1,608	
21	1,401	1,271	1,576	1,504	
28	1,368	1,321	1,522	1,588	
May 5	1,301	1,309	1,527	1,498	
12	1,221	1,316	1,439	1,522	
19	1,221	1,197	1,336	1,377	
26	1,101	1,257	1,283	1,329	
June 2	1,294	1,038	1,112	1,138	
June 9	1,254	1,199	1,383	1,377	
16	1,163	1,155	1,298	1,283	
23	1,132	1,103	1,253	1,297	
30	853	1,024	1,164	1,266	
July 7	1,061	941	949	1,054	
14	1,100	1,159	1,232	1,378	
21	1,055	1,181	1,214	1,376	
28	1,027	1,265	1,287	1,318	
Aug. 4	1,051	1,342	1,264	1,337	
11	1,157	1,344	1,315	1,367	
18	1,057	1,332	1,342	1,329	
27	1,169	1,401	1,368	1,349	
Sept. 1	996	1,350	1,411	1,404	
Sept. 8	1,267	1,227	1,270	1,251	
15	1,258	1,579	1,568	1,579	
22	1,198	1,508	1,590	1,581	
29	1,188	1,593	1,547	1,497	
Oct. 6	1,159	1,647	1,505	1,479	
13	1,193	1,660	1,582	1,533	
20	1,163	1,669	1,597	1,475	
27	1,194	1,599	1,487	1,478	
Nov. 3	1,275	1,729	1,685	1,527	
Nov. 10	1,336	1,706	1,603	1,549	
17	1,376	1,646	1,655	1,651	
24	1,069	1,386	1,308	1,328	
Dec. 1	1,372	1,644	1,623	1,642	
Dec. 8	1,237	1,614	1,462	1,613	
15	1,219	1,522	1,504	1,497	
22	949	1,140	1,369	1,489	
29	970	1,206	1,187	1,149	

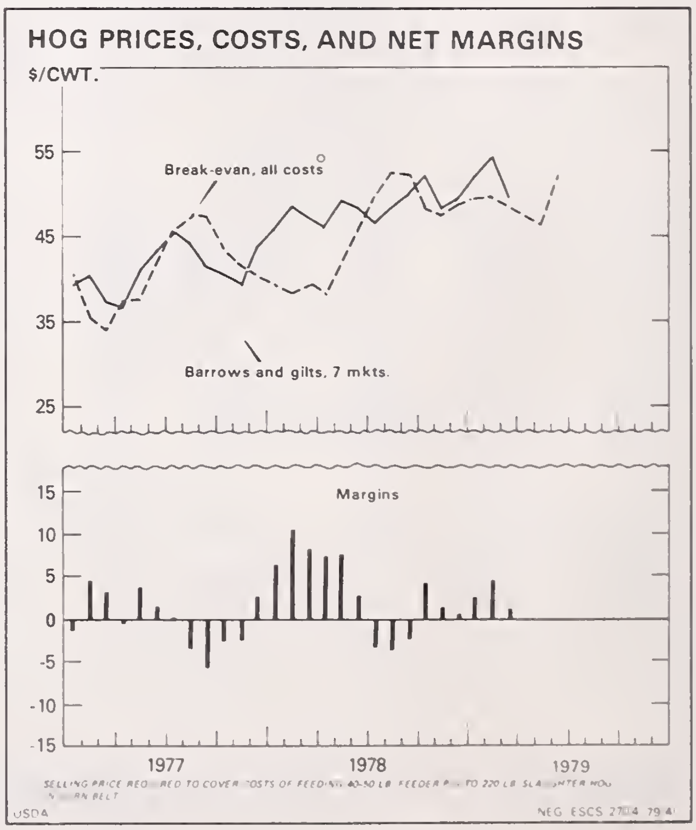
[1] Corresponding dates: 1975, January 11; 1976, January 10; 1977, January 8; 1978, January 7.



Hog prices, costs, and net margins[1]

Year	Barrows & gilts 7 markets	Feed and Feeder	Break-even	Net margins
	$ per cwt.			
1977				
January	39.52	33.60	40.65	-1.13
February	40.18	28.62	35.46	+4.72
March	37.53	27.23	34.14	+3.39
April	36.97	30.41	37.42	-.45
May	41.79	30.75	37.83	+3.96
June	43.86	34.91	42.43	+1.43
July	45.76	37.99	45.70	+.06
August	44.38	39.89	47.71	-3.33
September	41.40	39.25	47.21	-5.81
October	40.83	35.71	43.48	-2.65
November	39.33	34.15	41.96	-2.63
December	43.99	33.45	41.22	+2.77
1978				
January	45.99	31.89	39.58	+6.41
February	48.83	30.64	38.25	+10.58
March	47.50	31.63	39.31	+8.19
April	46.04	31.00	38.62	+7.42
May	49.17	33.44	41.32	+7.85
June	48.31	36.97	45.40	+2.91
July	46.78	41.37	50.09	-3.31
August	48.77	43.88	52.71	-3.94
September	50.00	43.58	52.26	-2.26
October	52.23	39.60	48.01	+4.22
November	48.36	38.71	47.12	+1.24
December	49.57	40.35	49.02	+.55
1979				
January	52.13	40.85	49.63	+2.50
Febuary	54.42	41.04	49.79	+4.63
March	49.38	39.56	48.27	+1.11
April		38.58	47.23	
May		37.67	46.35	
June		42.60	52.09	
July		43.17	52.75	
August				
September				
October				
November				
December				

[1] Selling price required to cover costs of feeding 40-50 lb. feeder pig to 220 lb. slaughter hog in Corn Belt.



March 1 inventory, farrowings, and pig crops, 14 selected States

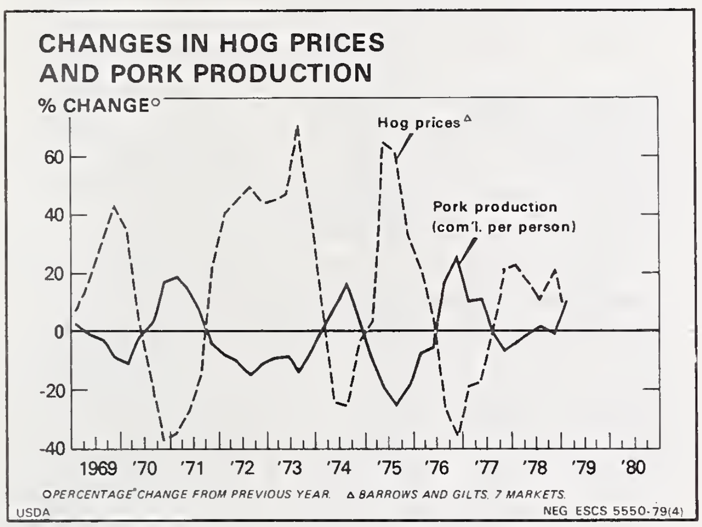
Item	1976	1977	1978	1979	1979/ 1978
	1,000 head				*% chg.*
INVENTORY: . . .	40,785	44,020	44,680	50.511	+13
Breeding:	6,694	7,003	6,941	8,344	+20
Market:	34,091	37,017	37,734	42,167	+12
Weight groups					
-60 lb.	13,617	14,199	14,590	16,665	+14
60-119 lb. . .	7,748	8,585	8,987	10,014	+11
120-179 lb. .	7,302	8,387	8,309	9,146	+10
180 lb. + . . .	5,424	5,846	5,848	6,342	+8
FARROWINGS:					
Dec.-Feb.	2,052	2,304	2,285	[1] 2,659	+16
Mar.-May	2.907	2,893	2,870	[1] 3,548	+24
Dec.-May	4,959	5,197	5,155	6,207	+20
June-Aug.	2,513	2,600	2,658	[1] 3,163	+19
Sept.-Nov.	2,524	2,565	2,796		
June-Nov.	5,037	5,165	5,454		
PIG CROPS:					
Dec.-Feb.	14,696	15.586	15,626	18,260	+17
Mar.-May	21,525	21,386	20,716		
Dec.-May	36,221	36,972	36,342		
June-Aug.	18,389	18,768	19,195		
Sept.-Nov.	17,970	18,421	20,027		
June-Nov.	36,359	37,189	39,222		
PIGS PER LITTER:					
Dec.-Feb.	7.16	6.76	6.84	6.87	0
Mar.-May	7.40	7.39	7.22		
Dec.-May	7.30	7.11	7.05		
June-Aug.	7.32	7.22	7.22		
Sept.-Nov.	7.12	7.18	7.16		
June-Nov.	7.22	7.20	7.19		

[1] Intentions.

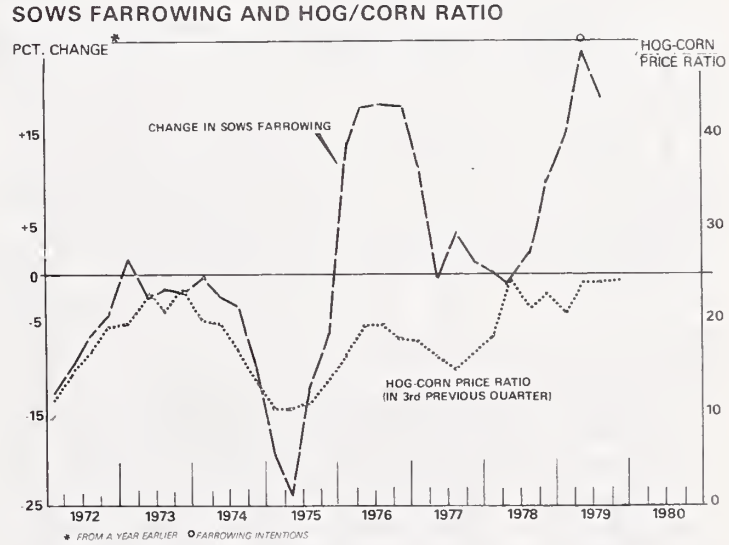
Sow Slaughter Balance Sheet, 14 States

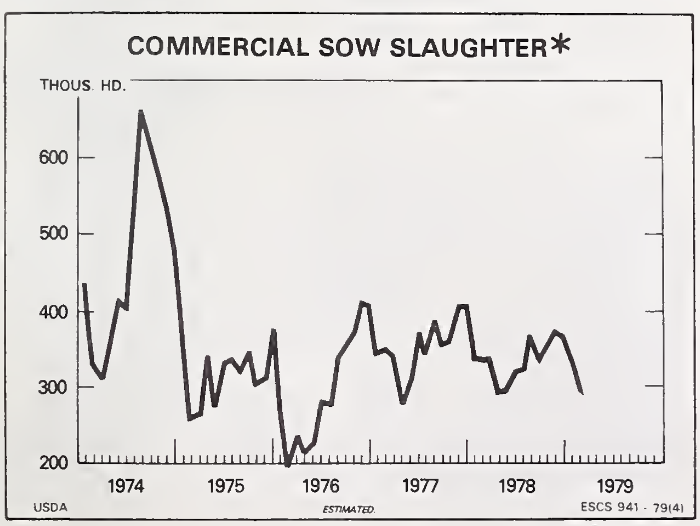
	1974	1975	1976	1977	1978	1979
	Million head					
Dec. 1 breeding[1]	7.4	6.3	6.4	6.8	7.3	8.1
December-February						
Comm. sow slaughter[2]	1.0	.9	.7	.9	.9	1.0
Gilts added	1.2	.7	1.0	1.1	.5	1.2
Mar. 1 breeding	7.6	6.1	6.7	7.0	6.9	8.3
March-May						
Comm. sow slaughter[2]	.9	.7	.6	.8	.8	
Gilts added	.8	.8	1.0	1.2	1.3	
June 1 breeding	7.5	6.2	7.1	7.4	7.4	
June-August						
Comm. sow slaughter[2]	1.3	.7	.7	.9	.9	
Gilts added	.6	.5	.4	.8	1.0	
Sept. 1 breeding	6.8	6.0	6.8	7.2	7.5	
September-November						
Comm. sow slaughter	1.5	.8	1.0	1.0	.9	
Gilts added	1.0	1.2	1.0	1.1	1.5	

[1] December previous year. [2] 85% of estimated U.S. commercial sow slaughter.



SOWS FARROWING AND HOG/CORN RATIO





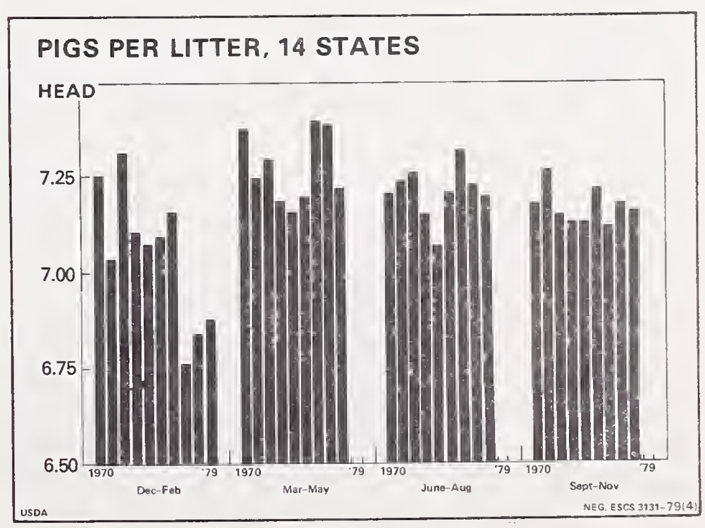


Table 2— Corn Belt hog feeding[1]

Selected costs at current rates[2]

Purchased during / Marketed during	Dec. 77 / Apr. 78	Jan. 78 / May	Feb. / June	Mar. / July	Apr. / Aug.	May / Sept.	June / Oct.	July / Nov.	Aug. / Dec.	Sept. / Jan. 79	Oct. / Feb.	Nov. / Mar.	Dec. / Apr.	Jan. 79 / May	Feb. / June	Mar. / July
	Dollars per head															
Expenses:																
40 lb. feeder pig	30.38	35.88	44.12	51.63	54.57	54.08	45.36	45.21	50.83	52.91	51.84	47.01	44.49	42.26	52.54	53.14
Corn (11 bu.)	21.89	21.56	21.67	23.21	24.86	25.08	24.86	22.99	21.56	20.46	21.34	22.22	22.44	22.88	23.10	23.43
Protein supplement (130 lb.)	15.92	16.12	15.54	16.18	17.10	16.71	16.90	16.96	16.38	16.51	17.10	17.81	17.94	17.74	18.07	18.40
Labor & management (1.3 hr.)	7.02	7.02	7.59	7.59	7.59	7.20	7.20	7.20	7.38	7.38	7.38	7.59	7.59	7.59	8.55	8.55
Vet medicine[3]	1.63	1.68	1.70	1.72	1.74	1.76	1.77	1.77	1.78	1.79	1.80	1.81	1.82	1.88	1.91	1.96
Interest on purchase (4 mo.)	.91	1.08	1.32	1.55	1.64	1.62	1.36	1.36	1.52	1.59	1.56	1.41	1.33	1.27	1.58	1.59
Power, equip, fuel, shelter, depreciation[3]	3.97	4.09	4.13	4.19	4.23	4.29	4.30	4.31	4.31	4.36	4.38	4.39	4.44	4.58	4.65	4.75
Death loss (4% of purchase)	1.22	1.44	1.76	2.07	2.18	2.16	1.81	1.81	2.03	2.12	2.07	1.88	1.78	1.69	2.10	2.13
Transportation (100 miles)	.48	.48	.48	.48	.48	.48	.48	.48	.48	.48	.48	.48	.48	.48	.48	.48
Marketing expenses	1.14	1.14	1.14	1.14	1.14	1.14	1.14	1.14	1.14	1.14	1.14	1.14	1.14	1.14	1.14	1.14
Miscellaneous & indirect costs[3]	.41	.42	.42	.43	.43	.44	.44	.44	.44	.45	.45	.45	.45	.47	.48	.49
Total	84.97	90.91	99.87	110.19	115.96	114.96	105.62	103.67	107.85	109.19	109.54	106.19	103.90	101.98	114.60	116.06
	Dollars per cwt.															
Selling price/cwt. required to cover feed and feeder costs (220 lb.)	31.00	33.44	36.97	41.37	43.88	43.58	39.60	38.71	40.35	40.85	41.04	39.56	38.58	37.67	42.60	43.17
Selling price/cwt. required to cover all costs (220 lb.)	38.62	41.32	45.40	50.09	52.71	52.25	48.01	47.12	49.02	49.63	49.79	48.27	47.23	46.35	52.09	52.75
Feed cost per 100 lb. gain	21.01	20.93	20.67	21.88	23.31	23.22	23.20	22.19	21.08	20.54	21.36	22.24	22.43	22.57	22.87	23.24
Barrows and gilts 7 markets/cwt.	46.04	49.17	48.31	46.78	48.77	50.00	52.23	48.36	49.57	52.13	54.42	49.38				
Net margin/cwt.	+7.42	+7.85	+2.91	-3.31	-3.94	-2.25	+4.22	+1.24	+.55	+2.50	+4.63	+1.11				
Prices:																
40 lb. feeder pig (So. Missouri)	30.38	35.88	44.12	51.63	54.57	54.08	45.36	45.21	50.83	52.91	51.84	47.01	44.49	42.26	52.54	53.14
Corn[4] $/bu.	1.99	1.96	1.97	2.11	2.26	2.28	2.26	2.09	1.96	1.86	1.94	2.02	2.04	2.08	2.10	2.13
38-42% protein supp.[5] $/cwt.	12.25	12.40	11.95	12.45	13.15	12.85	13.00	13.05	12.60	12.70	13.15	13.70	13.80	13.65	13.90	14.15
Labor and management[6] $/hr.	5.40	5.40	5.84	5.84	5.84	5.54	5.54	5.54	5.68	5.68	5.68	5.84	5.84	5.84	6.58	6.58
Interest rate (annual)	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00
Transportation rate/cwt. (100 miles)[7]	.22	.22	.22	.22	.22	.22	.22	.22	.22	.22	.22	.22	.22	.22	.22	.22
Marketing expenses[8]	1.14	1.14	1.14	1.14	1.14	1.14	1.14	1.14	1.14	1.14	1.14	1.14	1.14	1.14	1.14	1.14
Index of prices paid by farmers (1910-14=100)	689	710	717	727	735	744	747	748	749	757	760	763	770	796	808	825

[1] Although a majority of hog feeding operations in the Corn Belt are from farrow to finish, relative fattening expenses will be similar. [2] Represents only what expenses would be if all selected items were paid for during the period indicated. The feed rations and expense items do not necessarily coincide with the experience of individual feeders. For individual use, adjust expenses and prices for management, production level, and locality of operation. [3] Adjusted monthly by the index of prices paid by farmers for commodities, services, interest, taxes and wage rates. [4] Average price received by farmers in Iowa and Illinois. [5] Average prices paid by farmers in Iowa and Illinois. [6] Assumes an owner-operator receiving twice the farm labor rate. [7] Converted to cents/cwt. from cents/mile for a 44,000 pound haul. [8] Yardage plus commission fees at a midwest terminal market.

CATTLE

The liquidation phase of the cattle cycle, now four years in length, likely has ended. Producers are culling fewer cows, while market receipts of feeder cattle suggest greater heifer retention than anticipated. The January 1980 cattle and calf inventory may be between 112 and 113 million head. This assumes commercial plus farm slaughter of cattle and calves at 37½ million, while death losses and exports are placed at 5 million. A calving rate of 90 percent would yield a 43-million calf crop. The inventory would then increase by the number of animals imported.

More significant is the likely increase in the cow herd; the January 1, 1980 inventory could exceed 49 million. The slaughter of cows during the first quarter of 1979 was reduced about 30 percent from a year earlier. A similar reduction for the year now seems likely, with the annual total near 6 million.

Increased feedlot placements in the first half of last year were largely sustained by greater movement of heifers onto feed. Market receipts data show heifers accounted for approximately one-third of the feeder cattle total during the winter quarter of 1978. This winter, heifers accounted for only one-fourth of total receipts. The herd rebuilding process is underway.

Rebuilding of the herd must be accomplished through reduction of current output. The per capita beef supply in 1979 may be only 111 pounds, with perhaps an additional pound per person from on-farm slaughter. This will be about 7 percent less than in 1978 and the lowest per capita total since 1973. Imported beef will account for about 10 percent of consumption this year compared with 9 percent last year and 7 percent 2 years earlier. Slaughter cattle and retail beef prices will be pushed higher. At retail, prices for Choice cuts may average more than 20 percent higher. Despite a squeeze on packer margins, slaughter steer prices will average about $70 per 100 pounds.

Grass Fed Slaughter Declines, Much Less Beef in First Half

Federally inspected beef production through March of this year was down about 9 percent, and prospects are for greater reductions this spring. Marketing of fed cattle during the first quarter is estimated to have increased 1 percent from last year, but slaughter of cattle off grass was reduced by almost half.

The number of cattle on feed for slaughter on April 1 may have been about 3 to 4 percent smaller than on April 1, 1978. This assumes placements on feed during March kept pace with year-earlier rates. Prices paid for 600 pound feeders during March pushed the breakeven slaughter steer price to the middle $70's. This is well above futures quotations for the second half of the year. Feeder prices dropped $6 per hundredweight from their mid-March peak. A further reduction will be needed to maintain feeding rates this spring at year-ago levels. Feedlot marketings this spring may be somewhat larger than previously thought, but will decline 1 to 2 percent from a year earlier. Cow slaughter, while registering only a modest seasonal decline, may be reduced a third from last year's second-quarter kill as pressure to cull herds subsides. Grass-fed steer and heifer slaughter may be only 20 percent of that last spring. Overall, beef tonnage may be reduced 8 to 10 percent.

Wheat Grazing To Affect Placements

On March 15, the Secretary of Agriculture announced provisions for grazing winter wheat. Deficiency payments to wheat growers are authorized when cattle are grazed or hay is cut on wheat acreage that would otherwise be harvested. Last spring, the acreage grazed rather than harvested in Colorado, Kansas, Oklahoma, and Texas exceeded 1 million acres. Feedlot placements during April of last year in Colorado, Kansas, and Texas, where placements are reported monthly, lagged year-earlier levels by 9 percent, although Corn Belt States boosted placements 12 percent. Placements in May and June recorded substantial gains.

Feedlot placements may be affected by wheat grazing again this year. The acreage devoted to wheat is larger, but price prospects for wheat during the first 5 months of the marketing year, when deficiency payments are determined, are little changed. Deficiency payments last year were 52 cents per bushel. Assuming a similar payout this year, there is an incentive for program participation. With a stocking rate of 2.2 animals per acre, feedlot placements could be greatly restricted early in the spring quarter, particularly if participation is increased. Still, placements for the quarter should not be restricted, as wheat pasture will be very limited by late May. Fewer animals would go directly from wheat pasture to slaughter this year. Also, animals placed on feed after wheat grazing would be carried to heavier weights to make Choice grade. These cattle would not be marketed before late summer. The April 1 feeder cattle inventory was probably only 3 to 4 percent smaller than last year's number. Feedlot placements in the second quarter are expected to increase perhaps 2 to 3 percent over a year ago. The July 1 inventory of cattle on feed would then be about 10.8 million, down only 1 percent.

Table 3— Beef supplies and prices

	Commercial cattle slaughter[1]						Average dressed weight	Commercial production	Per capita consumption[2]	Prices			
	Steers and heifers			Cows	Bulls and stags	Total				Retail	Choice Feeders 600-700 lb. Kansas City	Choice Steers Omaha 900-1100 lb.	Farm[3]
	Fed	Non-fed	Total										
	1,000 head						*Lb.*	*Mil. lb.*	*Lb.*	*Cents/lb.*	*$/cwt.*		
1975: I	5,690	1,611	7,301	2,224	208	9,733	600	5,842	30.3	137.2	27.39	35.72	27.33
II	5,200	1,658	6,858	2,419	273	9,550	586	5,593	28.4	155.3	34.67	48.03	34.57
III	5,190	1,913	7,103	3,124	312	10,539	564	5,942	30.2	166.0	35.54	48.64	33.83
IV	5,130	1,865	6,995	3,790	304	11,089	568	6,296	31.2	160.9	38.06	46.05	33.07
Year	21,210	7,047	28,257	11,557	1,097	40,911	579	23,673	120.1	154.8	33.91	44.61	32.30
1976: I	6,550	1,375	7,925	2,748	240	10,913	595	6,492	32.8	151.3	39.19	38.71	33.37
II	6,150	1,429	7,579	2,330	261	10,170	604	6,145	31.2	150.8	43.89	41.42	37.17
III	6,430	1,605	8,035	2,612	262	10,909	607	6,618	33.5	145.3	38.10	37.30	32.97
IV	5,910	1,588	7,498	2,929	235	10,662	601	6,412	31.8	145.4	36.40	39.00	31.93
Year	25,040	5,997	31,037	10,619	998	42,654	602	25,667	129.3	148.2	39.40	39.11	33.70
1977: I	6,710	1,009	7,719	2,535	212	10,466	601	6,287	31.7	144.6	37.77	37.88	33.07
II	6,400	1,406	7,806	2,162	225	10,193	604	6,158	30.9	146.4	41.10	40.77	35.20
III	6,420	1,567	7,987	2,398	244	10,629	595	6,321	32.0	149.0	41.16	40.47	34.70
IV	6,360	1,217	7,577	2,769	222	10,568	588	6,220	31.3	153.4	40.70	42.42	34.97
Year	25,890	5,199	31,089	9,864	903	41,856	597	24,986	125.9	148.4	40.18	40.38	34.40
1978: I	7,050	658	7,708	2,317	184	10,209	598	6,106	30.4	162.7	47.89	45.77	40.30
II	6,900	617	7,517	2,148	211	9,876	601	5,938	29.8	185.7	58.00	55.06	49.63
III	6,770	772	7,542	1,993	208	9,743	608	5,923	29.7	189.4	62.71	53.75	50.07
IV ...	7,020	497	7,517	2,012	195	9,724	621	6,043	30.2	189.7	66.52	54.76	52.93
Year	27,740	2,544	30,284	8,470	798	39,552	607	24,010	120.1	181.9	58.78	52.34	48.23
1979:[4] I	7,040	125	7,165	1,555	145	8,865	626	5,550	28.3	213.0	80.93	65.42	64.70
II													
III													
IV													
Year													

[1] Classes estimated. [2] Total, including farm production. [3] Annual is weighted average. [4] Forecast.

Fed Beef Production Maintained, More Pork To Offset Fewer Grass Feds

Marketings from feedlots in the second half of this year are expected to be reduced only slightly from last year. And with fewer heifers going on feed, average weights of fed cattle will increase, thus maintaining production. Additionally, the increase in pork production for July-December will be around 18 percent. This increase should fully offset the decline in grass-fed beef supplies.

By quarters, fed marketings are expected to decline about 2 percent from a year ago in both the summer and fall. Reductions in grass-fed slaughter may pull total beef production down 8 and 9 percent, respectively.

Early Peak in Cattle Prices Expected, Retail To Rise Through Summer

With less beef available for consumption, retail prices are forced higher to bring supply and demand into balance. The consumer's willingness to substitute more abundant pork and poultry for beef will determine the ultimate price level. Pork production during March increased about one-fourth over February. Higher slaughter cattle prices during March were not fully reflected at retail. The carcass-retail price spread for beef through three weeks of March shrank by 7 percent from the previous month.

Only as a result of higher by-product allowances has the packer maintained a profitable position. The farm-wholesale price spread was well above that of a year ago but only reflects an extremely tight situation then as well. A number of smaller packers in the Corn Belt report operations on a 4-day week. While feedlots in the Plains States and the Southwest are current, some cattle need to move in the Central and Eastern Corn Belt States. If feeders resist lower prices by holding cattle on feed, their ultimate movement will coincide with a still larger hog kill. Steer prices could then dip into the $60's. Any decline in retail prices, however, is unlikely as margins are recouped.

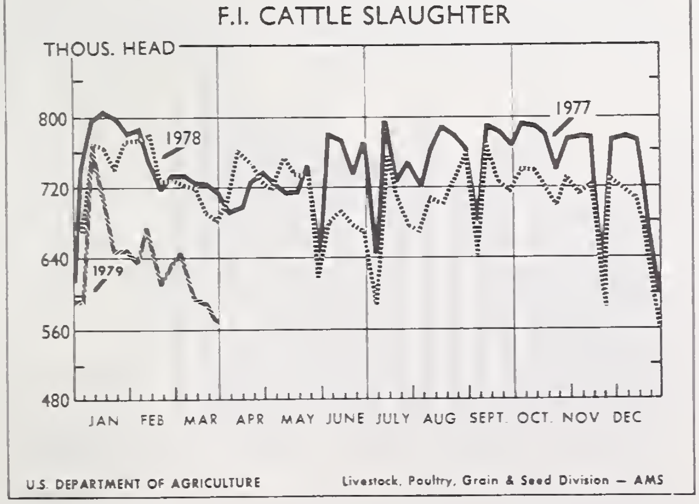
Slaughter steer prices may average around the $70's this spring, and advance slightly this summer before declining seasonally.

Federally inspected cattle slaughter

Week ended 1978[1]	Cattle 1978	Cattle 1979	Steers 1978	Steers 1979	Cows 1978	Cows 1979
	Thousands					
Jan. 6	671	599	307	312	169	102
13	791	775	366	394	192	147
20	760	712	357	372	176	125
27	737	637	343	334	173	113
Feb. 3	774	651	363	340	181	112
Feb. 10	765	630	366	325	171	115
11	777	678	375	373	173	113
24	727	600	343	316	171	100
Mar. 3	729	633	345	329	162	111
Mar. 10	725	649	358	344	145	109
17	717	599	341	308	160	112
24	689	590	323		150	
31	683	569	324		146	
Apr. 7	704	592	329		163	
14	767		377		156	
21	744		356		154	
28	735		337		168	
May 5	717		344		158	
12	752		368		153	
19	730		350		161	
22	722		348		152	
June 2	618		297		132	
June 9	695		324		157	
16	694		328		156	
23	678		318		155	
30	683		325		145	
July 7	582		294		102	
14	756		331		177	
21	700		316		153	
28	678		316		136	
Aug. 4	672		295		145	
11	709		332		143	
18	694		323		139	
25	724		336		143	
Sept. 1	757		341		153	
Sept. 8	648		291		128	
15	770		343		153	
22	719		314		151	
29	710		321		146	
Oct. 6	741		336		153	
13	755		338		155	
20	721		321		154	
27	699		317		150	
Nov. 3	729		340		151	
Nov. 10	710		324		154	
17	728		331		162	
24	583		276		117	
Dec. 1	730		352		150	
Dec. 8	717		339		160	
15	719		347		148	
22	657		328		126	
29	555		289		93	

[1] Corresponding date: 1978, January 7.

F.I. CATTLE SLAUGHTER



Utility cow prices per 100 pounds, Omaha

Month	1974	1975	1976	1977	1978	1979
	Dollars					
January	31.45	16.82	23.26	22.95	27.59	47.33
February	32.65	18.18	25.90	23.88	30.34	50.81
March	31.76	19.45	27.45	26.67	32.44	52.94
April	30.50	21.67	30.72	27.63	36.94	
May	27.67	23.55	30.24	26.57	39.21	
June	26.39	23.32	27.47	25.64	37.61	
July	24.22	22.00	25.80	25.23	38.09	
August	24.54	21.29	25.10	25.38	37.85	
September	22.56	22.45	22.90	26.12	39.75	
October	19.68	22.01	22.72	24.89	40.46	
November	17.62	20.73	20.59	23.80	39.30	
December	17.67	21.64	21.60	25.02	41.85	
Average	25.56	21.09	25.31	25.32	36.79	

Feeder cattle prices per 100 pounds, Kansas City

Month	Choice feeder steers 600-700 lbs. 1977	1978	1979	Choice feeder steer calves[1] 1977	1978	1979
	Dollars					
Jan.	36.49	44.07	75.29	37.99	46.15	85.19
Feb.	37.86	47.60	80.26	41.69	51.78	94.70
Mar.	38.95	52.00	87.25	44.36	57.64	101.04
Apr.	41.69	55.08		45.72	61.10	
May	41.72	60.36		45.20	68.17	
June	39.90	58.56		42.46	67.00	
July	40.64	60.60		43.14	68.42	
Aug.	41.99	63.08		45.27	71.61	
Sept.	40.85	64.46		46.06	74.51	
Oct.	40.82	64.88		44.48	72.30	
Nov.	39.94	64.85		42.95	73.03	
Dec.	41.33	69.83		43.84	78.27	
Av.	40.18	58.78		43.60	65.83	

[1] 400-500 lbs.

Choice steer prices per 100 pounds, Omaha[1]

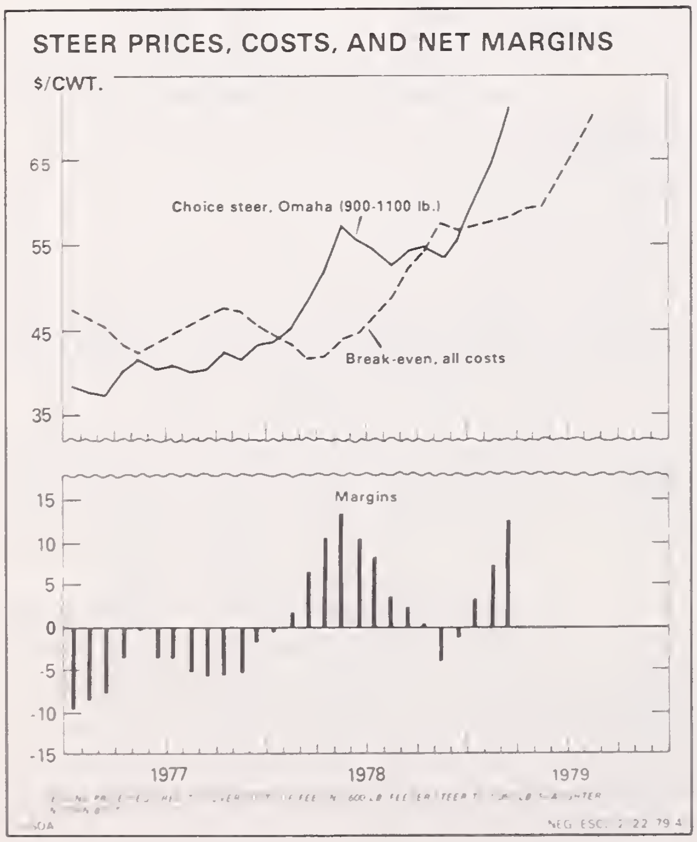
Month	1974	1975	1976	1977	1978	1979
	Dollars					
January	47.14	36.34	41.18	38.38	43.62	60.35
February	46.38	34.74	38.80	37.98	45.02	64.88
March	42.85	36.08	36.14	37.28	48.66	71.04
April	41.53	42.80	43.12	40.08	52.52	
May	40.52	49.48	40.62	41.98	57.28	
June	37.98	51.82	40.52	40.24	55.38	
July	43.72	50.21	37.92	40.94	54.59	
August	46.62	46.80	37.02	40.11	52.40	
September	41.38	48.91	36.97	40.35	54.26	
October	39.64	47.90	37.88	42.29	54.93	
November	37.72	45.23	39.15	41.83	53.82	
December	37.20	45.01	39.96	43.13	55.54	
Average	41.89	44.61	39.11	40.38	52.34	

[1] 900-1,100 lb.

Steer prices, costs, and net margins[1]

Year	Steers Omaha	Feed & Feeder	Break-even	Net margin
	$ per cwt.			
1977				
Jan.	38.38	41.81	47.82	-9.44
Feb.	37.98	40.46	46.35	-8.37
Mar.	37.28	39.25	45.06	-7.78
Apr.	40.08	37.86	43.66	-3.58
May	41.98	36.24	42.07	-0.09
June	40.24	37.73	43.58	-3.34
July	40.94	38.50	44.41	-3.47
Aug.	40.11	39.28	45.31	-5.20
Sept.	40.35	40.01	46.10	-5.75
Oct.	42.29	41.46	47.65	-5.36
Nov.	41.83	40.77	47.04	-5.21
Dec.	43.13	38.88	45.09	-1.96
1978				
Jan.	43.62	38.04	44.27	-0.65
Feb.	45.02	36.92	43.12	+1.90
Mar.	48.66	35.76	41.92	+6.74
Apr.	52.52	35.80	41.95	+10.57
May	57.28	37.34	43.54	+13.74
June	55.38	38.57	44.82	+10.56
July	54.59	40.01	46.42	+8.17
Aug.	52.40	42.03	48.70	+3.70
Sept.	54.26	45.20	52.04	+2.22
Oct.	54.93	47.74	54.71	+.22
Nov.	53.82	50.83	57.91	-4.09
Dec.	55.54	49.63	56.66	-1.12
1979				
Jan.	60.35	49.92	57.02	+3.33
Feb.	64.88	50.59	57.81	+7.07
Mar.	71.04	50.97	58.26	+12.78
Apr.		51.72	59.04	
May		52.43	59.80	
June		55.33	62.88	
July		58.73	66.53	
Aug.		61.90	70.12	
Sept.		66.14	74.64	
Oct.				
Nov.				
Dec.				

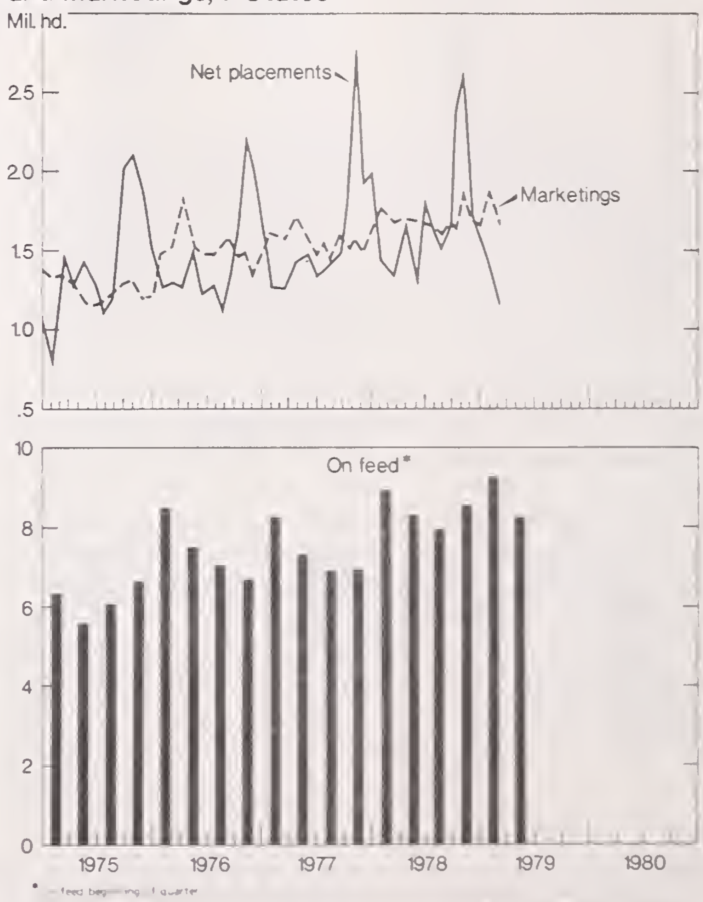
[1] Selling price required to cover costs of feeding 600 lb. feeder steer to 1,050 lb. slaughter in Corn Belt.



7 States Cattle on Feed, Placements, and Marketings

Year	On feed	Change, previous year	Net placements	Change, previous year	Marketings	Change, previous year
	1,000 head	*Percent*	*1,000 head*	*Percent*	*1,000 head*	*Percent*
1976						
Aug.	6,671	+12.5	1,356	+10.2	1,589	+31.0
Sept.	6,438	+8.2	1,618	-19.3	1,478	+13.9
Oct.	6,578	-1.2	2,215	-0.8	1,491	+14.1
Nov.	7,302	-3.7	2,031	+9.0	1,333	+12.0
Dec.	8,000	-3.1	1,686	+13.7	1,473	+22.5
1977						
Jan.	8,213	-3.8	1,262	-1.6	1,602	+9.6
Feb.	7,873	-5.8	1,250	-3.3	1,567	+2.5
Mar.	7,556	-7.0	1,435	+15.0	1,710	-7.1
Apr.	7,281	-3.3	1,470	-1.8	1,554	+2.8
May	7,197	-4.2	1,335	+8.9	1,479	+0.6
June	7,053	-3.0	1,367	+7.0	1,546	+5.3
July	6,874	-2.9	1,439	+29.3	1,442	-5.2
Aug.	6,871	+3.0	1,453	+7.2	1,598	+0.6
Sept.	6,726	+4.5	1,762	+8.9	1,530	+3.5
Oct.	6,958	+5.7	2,771	+25.1	1,589	+6.6
Nov.	8,140	+11.5	1,915	-5.7	1,488	+11.6
Dec.	8,567	+7.1	1,965	+16.5	1,605	+9.0
1978						
Jan.	8,927	+8.7	1,437	+13.9	1,750	+9.2
Feb.	8,614	+9.4	1,338	+7.0	1,676	+7.0
Mar.	8,276	+9.5	1,684	+17.4	1,698	-0.7
Apr.	8,262	+13.5	1,294	-12.0	1,695	+9.1
May	7,861	+9.2	1,829	+37.0	1,677	+13.4
June	8,013	+13.6	1,616	+18.2	1,647	+6.5
July	7,982	+16.1	1,509	+4.9	1,604	+11.2
Aug.	7,867	+14.5	1,621	+11.6	1,674	+4.8
Sept.	7,835	+16.5	2,366	+34.3	1,646	+7.6
Oct.	8,541	+22.8	2,626	-5.2	1,865	+17.4
Nov.	9,302	+14.3	1,730	-9.7	1,717	+15.4
Dec.	9,315	+8.7	1,571	-20.1	1,660	+3.4
1979						
Jan.	9,226	+3.3	1,391	-3.2	1,888	+7.9
Feb.	8,729	+1.3	1,135	-15.2	1,650	-1.6
Mar.	8,214	-0.7				

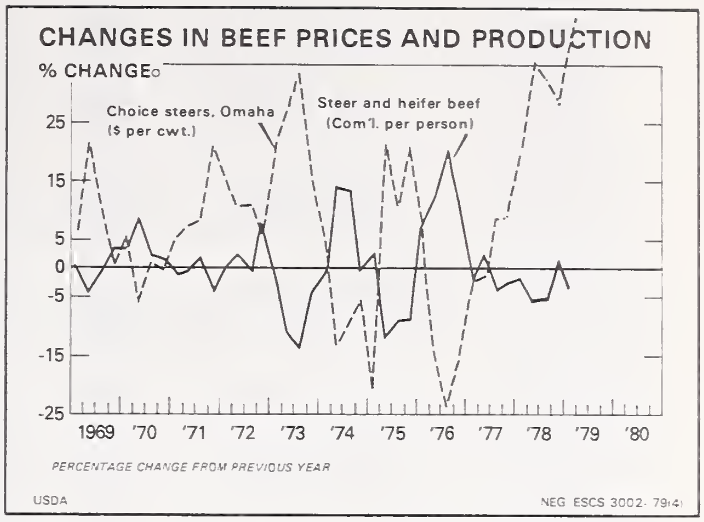
Cattle on Feed, Placements, and Marketings, 7 States

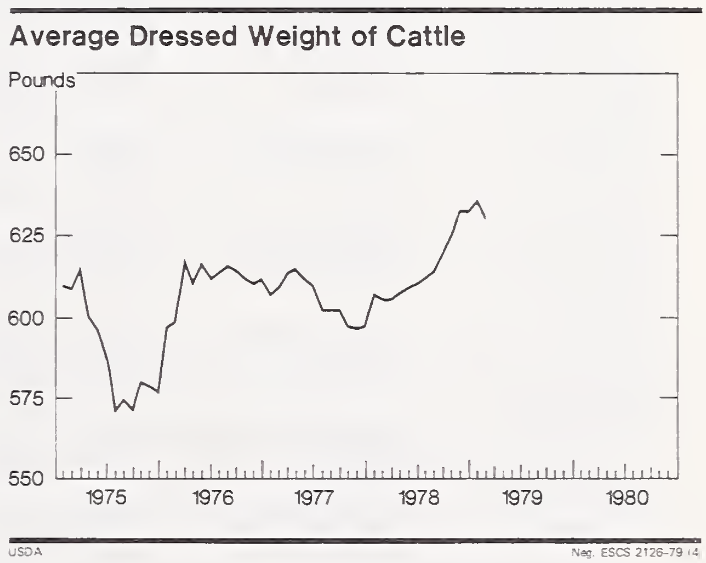


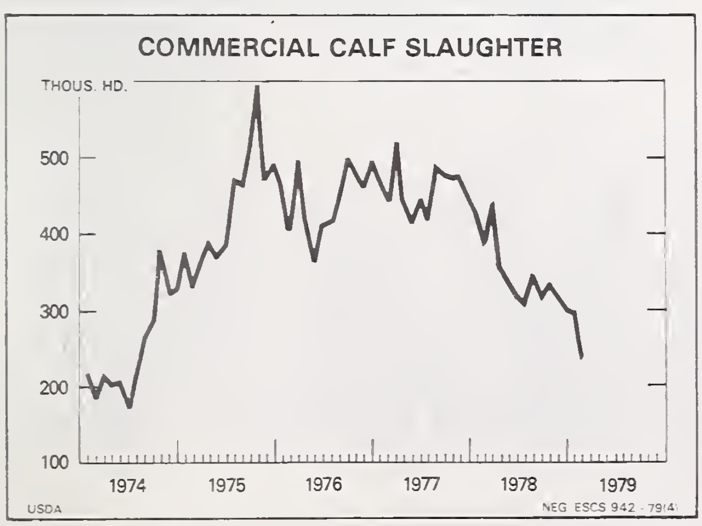
Veal supplies and prices

	Commercial				Prices		
	Slaughter	Av. dr. wt.	Production	Per capita[1]	Retail	Choice vealers So. St. Paul	Farm
	1,000 head	*Lb.*	*Mil. lb.*	*Lb.*	*Cents per lb.*	*$/cwt.*	*$/cwt.*
1974							
I . . .	614	135	83	.5	197.3	63.17	52.33
II . . .	585	144	84	.4	193.9	54.38	42.50
III . .	762	159	121	.6	194.4	43.96	33.47
IV . .	1,026	150	154	.8	190.7	37.02	26.13
Year . .	2,987	148	442	2.3	194.1	49.63	35.20
1975							
I . . .	1,068	155	166	.9	183.4	38.68	24.40
II . . .	1,137	160	182	.9	182.1	42.18	28.37
III . .	1,449	160	232	1.2	182.1	37.56	26.67
IV . .	1,555	159	247	1.2	177.0	43.33	28.30
Year . .	5,209	159	827	4.2	181.1	40.44	27.20
1976							
I . . .	1,370	150	206	1.0	173.8	50.84	33.13
II . . .	1,195	149	178	.9	174.3	44.01	38.23
III . .	1,349	152	205	1.0	174.9	38.62	34.00
IV . .	1,436	156	224	1.1	170.1	47.24	32.63
Year . .	5,350	152	813	4.0	173.3	45.18	34.10
1977							
I . . .	1,438	140	201	1.0	177.7	53.42	35.23
II . . .	1,304	143	187	.9	178.9	53.13	37.47
III . .	1,380	149	205	1.0	181.1	44.90	37.17
IV . .	1,395	144	201	1.0	183.3	41.33	37.17
Year . .	5,517	144	794	3.9	180.3	48.19	36.90
1978							
I . . .	1,251	142	178	.9	179.9	43.95	44.80
II . . .	1,006	148	149	.7	195.9	73.33	56.73
III . .	966	144	139	.7	225.9	80.21	62.33
IV	947	141	134	.7	236.1	79.47	68.33
Year	4,170	144	600	3.0	209.5	69.24	58.05
1979[4]							
I . . .	810	142	115	.6	255.0	89.90	85.80
II . . .							
III . .							
IV . .							
Year							

[1] Total, including farm production. [2] Annual is weighted average. [3] Forecast.







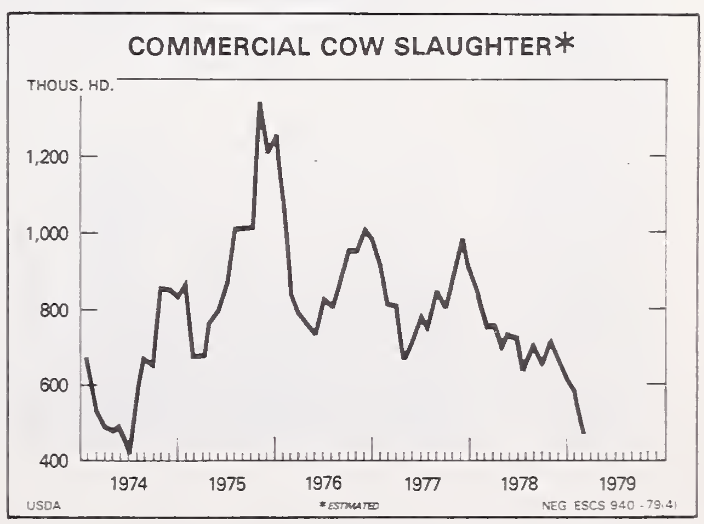


Table 4— Corn Belt cattle feeding

Selected expenses at current rates[1]

Purchased during / Marketed during	Dec. 77 / June 78	Jan. 78 / July	Feb. / Aug.	Mar. / Sept.	Apr. / Oct.	May / Nov.	June / Dec.	July / Jan. 79	Aug. / Feb.	Sept. / Mar.	Oct. / Apr.	Nov. / May	Dec. / June	Jan. 79 / July	Feb / Aug	Mar. / Sept.
	Dollars per head															
Expenses:																
600 lb. feeder steer	247.98	264.42	285.60	312.00	330.48	362.16	351.36	363.60	378.48	386.76	389.28	389.10	418.98	451.74	481.56	523.50
Transportation to feedlot (400 miles)	5.28	5.28	5.28	5.28	5.28	5.28	5.28	5.28	5.28	5.28	5.28	5.28	5.28	5.28	5.28	5.28
Corn (45 bu.)	89.55	88.20	88.65	94.95	101.70	102.60	101.70	94.05	88.20	83.70	87.30	90.90	91.80	93.60	94.50	95.85
Silage (1.7 tons)	30.74	30.97	31.47	31.40	32.25	32.64	31.55	30.38	29.00	28.58	30.02	31.20	31.08	31.99	33.00	33.66
Protein supplement (270 lb.)	26.86	26.32	25.11	26.60	27.54	26.86	27.68	27.14	26.73	27.00	26.86	29.30	29.30	29.16	30.10	30.38
Hay (400 lb.)	9.85	10.20	10.50	9.60	9.30	9.45	8.80	9.00	8.80	9.10	9.65	10.00	9.80	10.20	10.80	11.10
Labor (4 hours)	10.80	10.80	11.68	11.68	11.68	11.08	11.08	11.08	11.36	11.36	11.36	11.68	11.68	11.68	13.16	13.16
Management[2]	5.40	5.40	5.84	5.84	5.84	5.54	5.54	5.54	5.68	5.68	5.68	5.84	5.84	5.84	6.58	6.58
Vet medicine[3]	3.24	3.34	3.37	3.42	3.45	3.50	3.51	3.52	3.52	3.56	3.57	3.59	3.62	3.74	3.80	3.88
Interest on purchase (6 mo.)	11.16	11.90	12.85	14.04	14.87	16.30	15.81	16.36	17.03	17.40	17.52	17.51	18.85	20.16	21.67	23.56
Power, equip, fuel, shelter, depreciation[3]	15.10	15.56	15.72	15.94	16.11	16.31	16.37	16.40	16.42	16.59	16.66	16.72	16.88	17.45	17.71	18.08
Death loss (1% of purchase)	2.48	2.64	2.86	3.12	3.30	3.62	3.51	3.64	3.78	3.87	3.89	3.89	4.19	4.48	4.82	5.24
Transportation (100 miles)	2.31	2.31	2.31	2.31	2.31	2.31	2.31	2.31	2.31	2.31	2.31	2.31	2.31	2.31	2.31	2.31
Marketing expenses	3.35	3.35	3.35	3.35	3.35	3.35	3.35	3.35	3.35	3.35	3.35	3.35	3.35	3.35	3.35	3.35
Miscellaneous & indirect costs[3]	6.53	6.73	6.80	6.89	6.97	7.05	7.08	7.09	7.10	7.18	7.20	7.23	7.30	7.55	7.66	7.82
Total	470.63	487.42	511.39	546.42	574.43	608.05	594.93	598.74	607.04	611.72	619.93	627.90	660.26	698.53	736.30	783.75
	Dollars per cwt.															
Selling price/cwt. required to cover feed and feeder costs (1050 lb.)	38.57	40.01	42.03	45.20	47.74	50.83	49.63	49.92	50.59	50.97	51.72	52.43	55.33	58.73	61.90	66.14
Selling price/cwt. required to cover all costs (1050 lb.)	44.82	46.42	48.70	52.04	54.71	57.91	56.66	57.02	57.81	58.26	59.04	59.80	62.88	66.53	70.12	74.64
Feed cost per 100 lb. gain	34.89	34.60	34.61	36.12	37.95	38.12	37.72	35.68	33.94	32.97	34.18	35.87	36.00	36.66	37.42	38.00
Choice steers, Omaha	55.38	54.59	52.40	54.26	54.93	53.82	55.54	60.35	64.88	71.04						
Net margin/cwt.	+10.56	+8.17	+3.70	+2.22	+.22	-4.09	-1.12	+3.33	+7.07	+12.78						
Prices																
Feeder steer Choice (600-700 lb.) Kansas City/cwt.	41.33	44.07	47.60	52.00	55.08	60.36	58.56	60.60	63.08	64.46	64.88	64.85	69.83	75.29	80.26	87.25
Corn/bu.[4]	1.99	1.96	1.97	2.11	2.26	2.28	2.26	2.09	1.96	1.86	1.94	2.02	2.04	2.08	2.10	2.13
Hay/ton[4]	49.25	51.00	52.50	48.00	46.50	47.25	44.00	45.00	44.00	45.50	48.25	50.00	49.00	51.00	54.00	55.50
Corn silage/ton[5]	18.08	18.22	18.51	18.47	18.97	19.20	18.56	17.87	17.06	16.81	17.66	18.35	18.28	18.82	19.41	19.80
32-36% Protein supp./cwt.[6]	9.95	9.75	9.30	9.85	10.20	9.95	10.25	10.05	9.90	10.00	9.95	10.85	10.85	10.80	11.15	11.25
Farm Labor/hour[6]	2.70	2.70	2.92	2.92	2.92	2.77	2.77	2.77	2.84	2.84	2.84	2.92	2.92	2.92	3.29	3.29
Interest annual rate	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00
Transportation rate/cwt. 100 mile[7]	.22	.22	.22	.22	.22	.22	.22	.22	.22	.22	.22	.22	.22	.22	.22	.22
Marketing expenses[8]	3.35	3.35	3.35	3.35	3.35	3.35	3.35	3.35	3.35	3.35	3.35	3.35	3.35	3.35	3.35	3.35
Index of prices paid by farmers (1910-14=100)	689	710	717	727	735	744	747	748	749	757	760	763	770	796	808	825

[1] Represents only what expenses would be if all selected items were paid for during the period indicated. The feed ration and expense items do not necessarily coincide with experience of individual feeders. For individual use, adjust expenses and prices for management, production level and locality of operation. [2] Assumes one hour at twice the labor rate. [3] Adjusted monthly by the index of prices paid by farmers for commodities, services, interest, taxes and wage rates. [4] Average price received by farmers in Iowa and Illinois. [5] Corn silage price derived from an equivalent price of 5 bushels corn and 330 lb. hay. [6] Average price paid by farmers in Iowa and Illinois. [7] Converted from cents/mile for a 44,000 pound haul. [8] Yardage plus commission fees at a midwest terminal market.

Table 5— Great Plains Custom cattle feeding[1]

Purchased during / Marketed during	Dec. 77 June 78	Jan. 78 July	Feb. Aug.	Mar. Sept.	Apr. Oct.	May Nov.	June Dec.	July Jan. 79	Aug. Feb.	Sept. Mar.	Oct. Apr.	Nov. May	Dec. June	Jan.79 July	Feb. Aug.	Mar. Sept.
	Dollars per head															
Expenses:																
600 lb. feeder steer	250.98	265.32	287.46	315.12	325.98	355.68	342.18	358.02	359.52	381.00	370.50	384.90	404.34	448.44	481.38	528.66
Transportation to feedlot (300 mi)	3.96	3.96	3.96	3.96	3.96	3.96	3.96	3.96	3.96	3.96	3.96	3.96	3.96	3.96	3.96	3.96
Commission	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Feed:																
milo (1,500 lb.)	56.25	55.80	57.60	63.15	64.65	64.80	63.75	62.55	59.10	58.65	62.55	61.20	58.65	60.75	60.45	60.60
corn (1,500 lb.)	62.55	62.70	63.75	70.50	65.55	72.75	71.85	67.65	66.75	63.75	68.85	69.45	66.90	71.70	72.30	72.15
cottonseed meal (400 lb.)	38.80	39.20	39.20	39.60	38.80	38.40	37.60	39.60	36.80	38.40	40.00	43.20	43.20	44.40	44.00	44.00
alfalfa hay (800 lb.)	39.80	40.00	39.40	39.00	39.00	38.40	37.60	37.20	38.40	39.00	40.00	40.00	41.00	43.00	42.20	43.00
Total feed cost	197.40	197.70	199.95	212.25	208.00	214.35	210.80	207.00	201.05	199.80	211.40	213.85	209.75	219.85	218.95	219.95
Feed handling & management charge	21.00	21.00	21.00	21.00	21.00	21.00	21.00	21.00	21.00	21.00	21.00	21.00	21.00	21.00	21.00	21.00
Vet medicine	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Interest on feeder & ½ feed	17.05	17.75	19.37	21.06	21.50	23.15	22.38	23.08	23.00	24.04	23.81	25.82	26.73	29.31	31.02	31.93
Death loss (1.5% of purchase))	3.76	3.98	4.31	4.73	4.89	5.34	5.13	5.37	5.39	5.72	5.56	5.77	6.07	6.72	7.22	7.93
Marketing[2]	F.O.B.	F.O.B.	F.O.B.	F.O.B.	F.O.B.	F.O.B.	F.O.B.	F.O.B.	F.O.B.	F.O.B.	F.O.B.	F.O.B.	F.O.B.	F.O.B.	F.O.B.	F.O.B.
Total	500.15	515.71	542.05	584.12	591.33	629.48	611.45	624.43	619.92	641.52	642.23	661.30	677.85	735.28	769.53	819.43
	Dollars per cwt.															
Selling price required to cover:[3]																
Feed and feeder cost (1,056 lb.)	42.46	43.85	46.16	49.94	50.57	53.98	52.37	53.51	53.08	55.00	55.10	56.70	58.15	63.29	66.32	70.89
All costs	47.36	48.84	51.33	55.31	56.00	59.61	57.90	59.13	58.70	60.75	60.82	62.62	64.19	69.63	72.87	77.60
Selling price $/cwt.[4]	55.94	54.48	51.96	54.19	53.98	53.70	56.85	61.28	65.14	72.15						
Net margin/cwt.	+8.58	+5.64	+0.63	-1.12	-2.02	-5.91	-1.05	+2.15	+6.44	+11.40						
Costs per 100 lb. gain:																
Variable costs less interest	45.03	45.14	45.65	48.20	47.38	48.74	47.99	47.27	46.09	45.90	48.19	48.72	47.96	50.11	50.03	50.38
Feed costs	39.48	39.54	39.99	42.45	41.60	42.87	42.16	41.40	40.21	39.96	42.28	42.77	41.95	43.97	43.79	43.99
Unit Prices:																
Choice feeder steer 600-700 lb. Amarillo $/cwt.	41.83	44.22	47.91	52.52	54.33	59.28	57.03	59.67	59.92	63.50	61.75	64.15	67.39	74.74	80.23	88.11
Transportation rate $/cwt/100 miles[5]	.22	.22	.22	.22	.22	.22	.22	.22	.22	.22	.22	.22	.22	.22	.22	.22
Commission fee $/cwt.	.50	.50	.50	.50	.50	.50	.50	.50	.50	.50	.50	.50	.50	.50	.50	.50
Milo $/cwt.[6]	3.75	3.72	3.84	4.21	4.31	4.32	4.25	4.17	3.94	3.91	4.17	4.08	3.91	4.05	4.03	4.04
Corn $/cwt.[6]	4.17	4.18	4.25	4.70	4.37	4.85	4.79	4.51	4.45	4.25	4.59	4.63	4.46	4.78	4.82	4.81
Cottonseed meal $/cwt.[7]	9.70	9.80	9.80	9.90	9.70	9.60	9.40	9.90	9.20	9.60	10.00	10.80	10.80	11.10	11.00	11.00
Alfalfa hay $/ton[8]	99.50	100.00	98.50	97.50	97.50	96.00	94.00	93.00	96.00	97.50	100.00	100.00	102.50	107.50	105.50	108.00
Feed handling & management charge $/ton	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
Interest, annual rate	9.75	9.75	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.50	10.50	10.50	10.50	10.50

[1] Represents only what expenses would be if all selected items were paid for during the period indicated. The feed ration and expense items do not necessarily coincide with experience of individual feedlots. For individual use, adjust expenses and prices for management, production level, and locality of operation. Steers are assumed to gain 500 lb in 180 days at 2.8 lb. per day with a feed conversion of 8.4 lb. per pound gain. [2] Most cattle sold F.O.B. the feedlot with 4 percent shrink. [3] Sale weight 1,056 pounds (1,100 pounds less 4 percent shrink) [4] Choice slaughter steers, 900-1,100 lb., Texas-New Mexico direct. [5] Converted from cents per mile for a 44,000 pound haul. [6] Texas Panhandle elevator price plus $.15/cwt. handling and transportation to feed lots. [7] Average prices paid by farmers in Texas. [8] Average prices received by farmers in Texas plus $30/ton handling and transportation to feedlots.

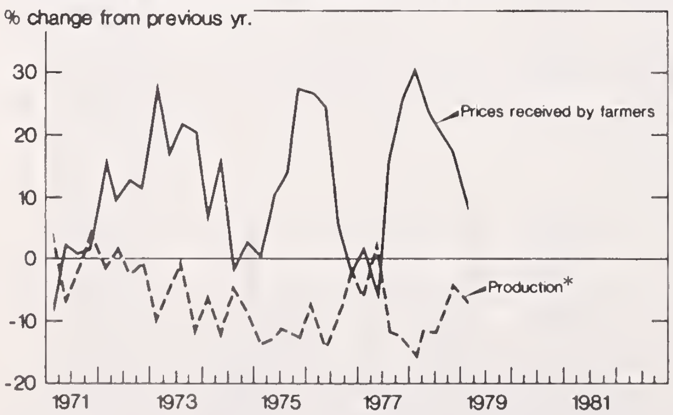
SHEEP AND LAMBS

Table 6— Lamb supplies and prices

Year and quarter	Commercial slaughter[1]			Average dressed weight	Commercial production	Per capita consumption[2]	Retail	Prices		
	Lambs and yearlings	Sheep	Total					San Angelo		Farm[3]
								Choice slaughter	Choice feeder	
	1,000 head			*Lb.*	*Mil. lb.*	*Lb.*	*Cents/lb.*	*Dollars per/cwt.*		
1975: I	1,879	65	1,944	52	101	.5	155.9	41.15	37.64	38.17
II	1,773	152	1,925	50	96	.5	163.9	46.78	42.11	44.50
III	1,922	169	2,091	50	104	.5	174.7	43.17	40.08	41.17
IV	1,681	194	1,875	52	98	.5	176.1	46.69	45.78	44.37
Year	7,255	580	7,835	51	399	2.0	167.6	44.45	41.40	42.10
1976: I	1,647	69	1,716	55	95	.5	179.5	51.50	51.45	48.43
II	1,423	138	1,561	53	82	.4	189.0	58.63	56.94	55.37
III	1,655	123	1,778	52	92	.5	190.2	43.54	47.32	43.37
IV	1,558	101	1,659	55	92	.5	183.7	45.81	49.39	43.07
Year	6,283	431	6,714	54	361	1.9	185.6	49.87	51.28	46.90
1977: I	1,499	82	1,581	57	90	.5	181.8	52.98	54.87	49.00
II	1,465	160	1,625	53	86	.4	183.4	55.76	52.24	52.23
III	1,490	163	1,653	51	84	.4	191.3	51.88	50.80	50.33
IV	1,393	103	1,496	54	81	.4	190.8	56.50	62.59	53.97
Year	5,847	508	6,355	54	341	1.7	186.8	54.28	55.12	51.30
1978: I	1,273	68	1,341	56	75	.4	206.9	67.67	74.72	63.77
II	1,244	130	1,374	55	76	.4	227.2	69.14	72.38	64.73
III	1,238	99	1,337	55	73	.4	221.8	61.07	75.27	60.70
IV	1,231	86	1,317	58	76	.4	236.1	63.44	80.07	63.27
Year	4,986	383	5,369	56	300	1.6	223.0	65.33	75.61	63.12
1979:[4] I	1,135	65	1,200	58	70	.4	241.5	68.97	85.02	69.70
II										
III										
IV										
Year										

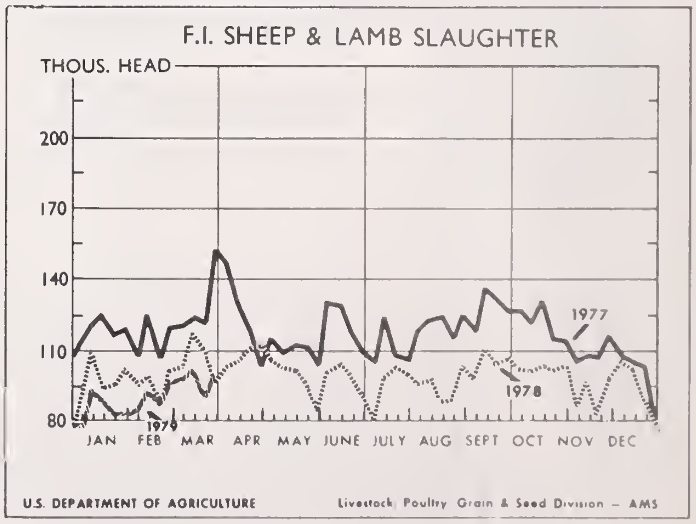
[1] Classes estimated. [2] Total, including farm production. [3] Weighted annual average. [4] Forecast.

Changes in Lamb Prices and Production



*Estimated commercial (lambs and yearlings).

USDA Neg. ESCS 155-79 (4)



MEAT CONSUMPTION AND PRICES

Large supplies of red meats and poultry will be available to consumers during the remainder of 1979 and per capita consumption could equal or be slightly larger than that of the same period last year. Because of a change in the composition of the meat supply and strong consumer demand, the average retail prices of meats will be higher than during 1978. Increases in pork and poultry production and higher beef imports will probably offset the decline in domestic beef production.

Meat Supplies Changing

Pork supplies have been increasing gradually and preliminary data indicate that per capita consumption of pork during the first quarter could exceed last year's level by almost 3 percent. This trend will accelerate and total pork consumption for the spring and summer quarters could be 12 to 14 percent higher than during the same period of 1978. As pork supplies increase, retail pork prices are expected to decline from their current levels, but they probably will remain above year-ago levels until the fall. Chicken and turkey consumption is expected to increase during the spring and summer compared with the same period of 1978, but at a slightly slower rate than the estimated 7-percent increase of the first quarter.

From January through March, per capita beef consumption is estimated to have declined 6 percent compared to the winter of 1978. A slightly

Table 7— Per capita meat consumption by quarters[1]

Year	Carcass weight					Retail weight				
	First	Second	Third	Fourth	Total	First	Second	Third	Fourth	Total
	Pounds	*Pounds*	*Pounds*	*Pounds*	*Pounds*	*Pounds*	*Pounds*	*Pounds*	*Pounds*	*Pounds*
Beef										
1971	27.7	28.1	29.3	27.9	113.0	20.5	20.8	21.7	20.6	83.6
1972	28.2	28.9	29.4	29.6	116.1	20.9	21.4	21.7	21.9	85.9
1973	28.0	26.2	26.8	28.6	109.6	20.7	19.4	19.8	21.2	81.1
1974	28.3	28.8	29.4	30.3	116.8	20.9	21.3	21.8	22.4	86.4
1975	30.3	28.4	30.2	31.2	120.1	22.4	21.0	22.4	23.1	88.9
1976	32.8	31.2	33.5	31.8	129.3	24.3	23.1	24.8	23.5	95.7
1977	31.7	30.9	32.0	31.3	125.9	23.4	22.9	23.7	23.2	93.2
1978	30.4	29.8	29.7	30.2	120.1	22.5	22.0	22.0	22.4	88.9
Veal										
1971	.7	.6	.7	.7	2.7	.6	.5	.5	.6	2.2
1972	.6	.5	.5	.6	2.2	.5	.4	.4	.5	1.8
1973	.5	.4	.4	.5	1.8	.5	.3	.3	.4	1.5
1974	.5	.4	.6	.8	2.3	.4	.3	.5	.7	1.9
1975	.9	.9	1.2	1.2	4.2	.8	.8	1.0	1.0	3.6
1976	1.0	.9	1.0	1.1	4.0	.9	.7	.8	.9	3.3
1977	1.0	.9	1.0	1.0	3.9	.9	.7	.8	.8	3.2
1978	.9	.7	.7	.7	3.0	.7	.6	.6	.6	2.5
Pork										
1971	20.0	19.3	19.4	20.3	79.0	17.1	16.6	16.8	17.7	68.2
1972	18.8	17.8	16.6	18.1	71.3	16.6	15.5	14.7	16.1	62.9
1973	16.6	16.2	14.4	16.7	63.9	14.9	14.5	13.1	15.1	57.6
1974	17.2	17.8	16.8	17.3	69.1	15.7	16.0	15.0	15.5	62.2
1975	15.5	14.4	12.5	13.7	56.1	14.0	13.2	11.5	12.5	51.2
1976	14.4	13.5	14.4	17.2	59.5	13.1	12.4	13.3	15.8	54.6
1977	15.6	14.9	14.7	16.3	61.5	14.5	13.7	13.5	15.0	56.7
1978	15.2	15.0	15.0	16.2	61.4	14.1	13.9	13.9	15.0	56.9
Lamb & Mutton										
1971	.8	.8	.8	.7	3.1	.7	.7	.7	.7	2.8
1972	.8	.9	.9	.7	3.3	.7	.8	.8	.6	2.9
1973	.7	.7	.7	.6	2.7	.7	.6	.6	.5	2.4
1974	.6	.6	.6	.5	2.3	.5	.5	.5	.5	2.0
1975	.5	.5	.5	.5	2.0	.5	.4	.4	.5	1.8
1976	.5	.4	.5	.5	1.9	.5	.4	.4	.4	1.7
1977	.5	.4	.4	.4	1.7	.4	.4	.4	.3	1.5
1978	.4	.4	.4	.4	1.6	.4	.4	.3	.3	1.4
Red Meat										
1971	49.2	48.8	50.2	49.6	197.8	38.9	38.6	39.7	39.6	156.8
1972	48.4	48.1	47.4	49.0	192.9	38.7	38.1	37.6	39.1	153.5
1973	45.8	43.5	42.3	46.4	178.0	36.8	34.8	33.8	37.2	142.6
1974	46.6	47.6	47.4	48.9	190.5	37.5	38.1	37.8	39.1	152.5
1975	47.2	44.2	44.4	46.6	182.4	37.7	35.4	35.3	37.1	145.5
1976	48.7	46.0	49.4	50.6	194.7	38.8	36.6	39.3	40.6	155.3
1977	48.8	47.1	48.1	49.0	193.0	39.2	37.7	38.4	39.3	154.6
1978	46.9	45.9	45.8	47.5	186.1	37.7	36.9	36.8	38.3	149.7

1Total consumption including farm, 50 States.

larger percentage decline is forecast for the spring and summer quarters of 1979. Almost the entire decline in beef supplies is the result of a large reduction in nonfed cattle slaughter. Fed cattle slaughter during the first quarter of 1979 will probably equal or slightly exceed that of the first quarter of last year. The change in cattle slaughter alters the composition and price of the beef supply. Nonfed cattle are a primary source of leaner type hamburger meat. Although it is possible to obtain hamburger from fed cattle by grinding the foreshank, brisket, and chuck, it is usually more expensive to do so than to grind nonfed carcasses or cow carcasses.

Beef consumption is expected to represent over 60 percent of the per capita consumption of red meats during the spring and summer and over 45 percent of the total consumption of red meats and poultry. This will be the lowest percentage of beef in the consumption of red meat since 1971.

Retail Price Forecast Uncertain

A great deal of uncertainty surrounds the retail price forecasts. Several factors, including consumer reaction to the changes in meat supplies, the outcome of labor contract settlements and potential strikes which could directly affect meat prices, contribute to this uncertainty. The impact of increasing energy costs on both the general price level and the amount of consumer expenditure for meat is uncertain.

There are several labor contracts being negotiated which will directly affect the meat business. Wage settlements in the Teamsters Union contract and by some meat packing unions will affect the price of meat. Strikes by any of these organizations may disrupt the movement of meat.

The consumer has a principal role in determining the retail price level for meats. The amount of beef and pork supplies, and to a certain extent poultry supplies, is largely established as a result of producers' decisions which have already been made. How quickly these meat supplies leave retail stores will determine how much prices will change. Fresh meats have a relatively short shelf life and they must be sold within a limited number of days or the meat will deteriorate. If the quantity

Table 8— Expenditures per person and percent of income spent for red meat[1]

Year and quarter	Disposable income	Spent for beef[2]	Percentage	Spent for pork	Percentage	Spent for veal	Percentage	Spent for lamb	Percentage	Spent for all meat	Percentage
	Dollars	*Dollars*	*Percent*	*Dollars*	*Percent*	*Dollars*	*Percent*	*Dollars*	*Percent*	*Dollars*	*Percent*
1955	1,654	43.78	2.65	32.89	1.99	4.94	0.30	2.73	0.17	84.34	5.10
1960	1,934	52.65	2.72	33.39	1.73	4.11	.21	3.08	.16	93.23	4.82
1965	2,430	60.37	2.48	35.69	1.47	3.60	.15	2.64	.11	102.30	4.21
1970	3,348	85.46	2.55	48.00	1.43	2.98	.09	3.06	.09	139.50	4.17
1971	3,588	90.43	2.52	47.61	1.33	3.03	.08	3.08	.09	144.15	4.02
1972	3,837	101.92	2.66	52.01	1.36	2.90	.08	3.50	.09	160.33	4.18
1973	4,285	115.24	2.69	62.88	1.47	2.75	.06	3.20	.07	184.07	4.30
1974	4,646	126.41	2.72	67.11	1.44	3.80	.08	3.00	.06	200.32	4.31
1975											
I	1,204	30.78	2.57	15.98	1.33	1.36	.11	.75	.06	48.87	4.06
II	1,280	32.64	2.55	16.11	1.26	1.35	.11	.72	.06	50.82	3.97
III	1,281	37.12	2.90	17.09	1.33	1.68	.13	.80	.06	56.70	4.43
IV	1,312	37.15	2.83	19.13	1.46	1.83	.14	.77	.06	58.88	4.49
Year	5,077	137.68	2.71	68.90	1.36	6.23	.12	3.04	.06	215.85	4.25
1976											
I	1,344	36.74	2.73	18.48	1.38	1.55	.12	.80	.06	57.57	4.29
II	1,366	34.88	2.55	17.16	1.26	1.25	.09	.72	.05	54.02	3.96
III	1,385	36.03	2.60	18.19	1.31	1.41	.10	.77	.06	56.39	4.07
IV	1,416	34.17	2.41	18.92	1.34	1.57	.11	.75	.05	55.41	3.91
Year	5,511	141.84	2.57	73.20	1.33	5.78	.10	3.04	.06	223.86	4.06
1977											
I	1,443	33.88	2.35	17.47	1.21	1.49	.10	.76	.05	53.60	3.71
II	1,483	33.51	2.26	16.67	1.12	1.31	.09	.71	.05	52.20	3.52
III	1,519	35.30	2.32	17.61	1.16	1.46	.10	.71	.05	55.08	3.63
IV	1,563	35.53	2.27	19.23	1.23	1.57	.10	.70	.04	57.03	3.65
Year	6,009	138.22	2.30	70.98	1.18	5.83	.10	2.88	.05	217.91	3.63
1978											
I	1,597	36.62	2.29	19.40	1.21	1.31	.08	.76	.05	58.09	3.64
II	1,642	40.91	2.49	19.77	1.20	1.18	.07	.81	.05	62.67	3.82
III	1,678	41.61	2.48	20.08	1.20	1.26	.08	.77	.05	63.72	3.80
IV	1,724	42.46	2.46	22.63	1.31	1.37	.08	.79	.05	67.25	3.90
Year	6,641	161.60	2.43	81.88	1.23	5.12	.08	3.13	.05	251.73	3.79

[1] Estimated from retail weight of consumption times average retail price. [2] Based on the average retail price of Choice grade beef and does not attempt to account for prices of other grades or the value of away-from-home consumption.

of a certain type of meat on hand increases, prices are reduced. However, if consumers try to maintain past consumption levels, retail beef prices could increase above last spring and summer levels by 20 to 25 percent. Retail beef prices are increasing as a result of the decrease in supplies but the rate at which they have increased during the past eighteen months demonstrates consumers' strong preference for beef.

Based on estimated data, consumers spent 2.6 percent of their disposable income for beef during the winter of 1979. This is an increase from the 1978 level, but a decrease from the levels of 1972 to 1976. The percentage is influenced by changes in disposable income, in beef supplies, and in beef prices. If during the spring and summer beef consumption decreases 7 percent, real disposable income increases 3 percent, and retail beef prices increase 22 percent, the percent of disposable income spent for beef would average 2.5 percent, a decline from the winter level and second and third quarters of 1978. If consumers do distribute their income on a percentage basis—consciously or not—retail beef prices will have to increase by 30 percent to bring the percentage equal to the levels of 1972 to 1976. The percentage can also be changed by reductions in disposable income.

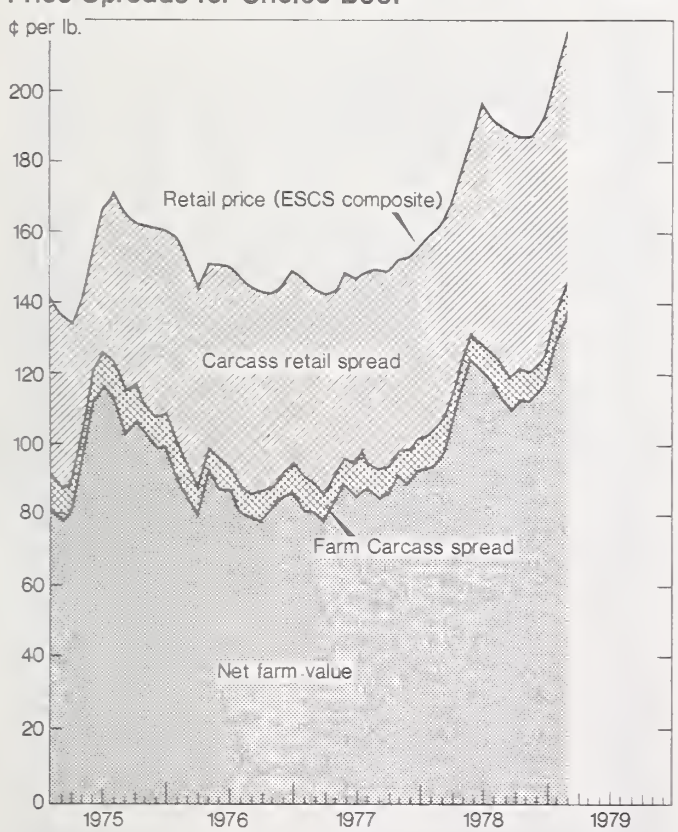
Meat Imports Increase

The program to restrain imports of fresh, chilled or frozen meat to 1.57 billion pounds, product weight, in 1979 is now in place. This program will permit a 5-percent increase in imports of these meats when compared with actual entries of about 1.49 billion pounds in 1978. Through March 3, 17 percent of the year had elapsed and the U.S. Customs Service reported that 17 percent of the restraint level had been imported. Entries from some Central American countries—Nicaragua and El Salvador—are running ahead of schedule, but much of this is due to shipments from these countries late in 1978 which were not recorded as U.S. imports until early in 1979.

About 85 percent of U.S. beef and veal imports are fresh, chilled or frozen; the remaining 15 percent are prepared or preserved. In January 1979, imports of prepared and preserved beef and veal were 17.6 million pounds—more than double the volume of the same month in 1978. Greater imports of canned corned beef and frozen cooked beef from Argentina account for most of the gain.

For the 1979 year, imports of beef and veal are estimated to be about 2.4 billion pounds, carcass weight equivalent, and exports about 145 million pounds.

Price Spreads for Choice Beef



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Price Spreads for Pork

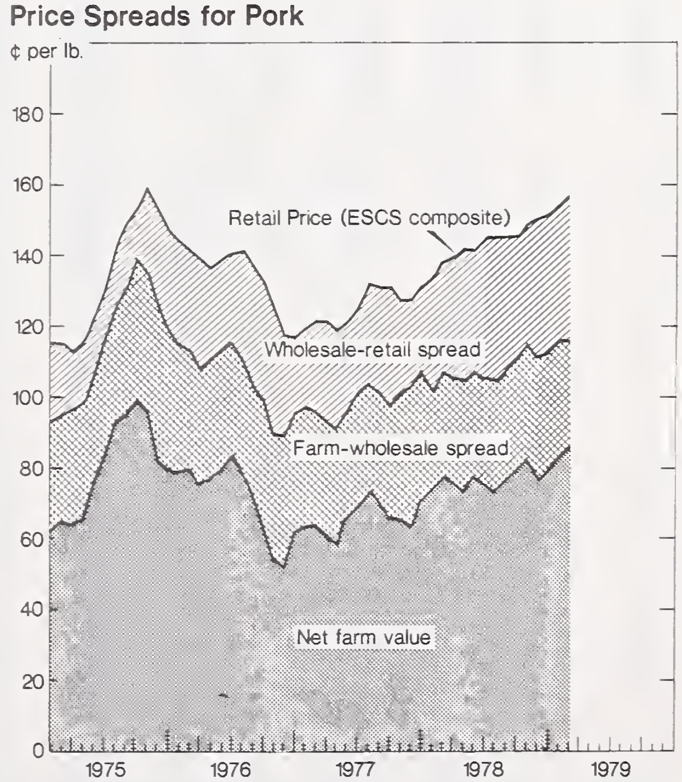

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Table 9— Average retail price of meat per pound, United States, by months, 1965 to date[1]

Year	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Av.
						Beef, Choice grade[2]							
1965	78.7	78.0	77.3	79.4	81.2	84.9	85.8	84.9	83.7	83.1	83.9	83.6	82.0
1966	82.9	85.1	86.1	86.6	85.8	83.7	83.5	83.7	84.2	83.3	82.3	85.6	84.4
1967	82.3	82.8	82.7	82.3	81.5	83.9	85.3	86.0	87.6	87.3	86.4	87.3	84.6
1968	86.3	87.1	87.7	87.7	87.9	87.9	89.2	89.1	90.5	89.8	90.2	90.6	88.7
1969	91.6	91.8	93.1	95.5	100.1	104.3	105.0	103.6	101.7	97.8	99.1	99.5	98.6
1970	100.2	100.0	102.3	102.8	102.4	101.5	103.8	103.5	101.9	101.0	100.8	99.7	101.7
1971	100.5	104.7	105.8	107.6	108.6	109.5	108.6	109.6	109.9	109.1	110.4	112.7	108.1
1972	116.0	120.4	120.5	116.6	116.1	118.3	122.3	120.8	117.9	117.8	117.4	119.8	118.7
1973	127.7	136.3	141.7	142.4	142.5	142.0	143.0	151.3	152.1	142.8	141.8	141.3	142.1
1974	150.4	157.8	149.7	143.6	142.3	139.3	145.5	151.3	149.5	144.5	142.1	139.7	146.3
1975	140.5	136.5	134.5	141.8	156.7	167.3	170.8	165.0	162.3	161.9	160.7	160.1	154.8
1976	158.1	151.8	143.9	151.2	151.1	150.1	147.5	144.9	143.4	142.6	145.1	148.5	148.2
1977	147.1	144.0	142.7	143.5	148.4	147.3	148.4	149.4	149.2	152.0	152.5	155.7	148.4
1978	159.5	161.7	167.0	176.0	185.9	195.2	191.6	189.3	187.4	187.6	187.8	193.6	181.9
1979	204.9	215.3											
						Veal, retail cuts							
1965	82.9	84.2	82.6	82.4	82.9	81.9	84.3	84.5	83.4	85.1	82.6	82.8	83.3
1966	85.1	89.2	89.4	90.3	88.5	90.7	91.1	90.6	91.3	91.3	90.5	91.4	90.0
1967	92.0	90.1	91.4	92.8	93.3	93.7	93.9	96.1	96.3	96.7	97.4	97.2	94.2
1968	99.8	99.2	100.0	102.0	100.0	102.5	101.7	101.4	101.9	101.1	101.9	100.9	101.0
1969	102.5	103.7	104.6	107.5	108.6	112.5	114.0	115.0	115.1	115.2	114.6	116.3	110.8
1970	117.2	119.3	120.8	123.3	123.9	124.9	125.7	126.6	127.0	127.4	127.6	127.9	124.3
1971	128.9	129.4	130.6	132.9	133.7	134.8	138.5	139.3	139.6	140.3	140.6	140.9	135.8
1972	142.8	148.6	149.7	151.0	151.7	154.2	156.4	157.3	157.6	158.4	159.4	159.9	153.9
1973	162.2	169.1	176.9	180.5	181.1	181.3	183.2	188.7	188.5	190.6	186.2	191.6	181.7
1974	194.5	198.4	199.1	194.8	193.3	193.7	192.4	194.8	196.1	192.4	189.1	190.6	194.1
1975	187.0	183.5	179.6	180.2	182.9	183.1	186.6	181.6	178.2	176.8	176.7	177.4	181.1
1976	174.4	173.7	173.3	171.7	173.9	177.2	176.5	175.4	172.9	170.4	170.1	169.8	173.3
1977	176.7	178.4	175.2	175.8	174.9	175.2	174.6	175.6	174.3	172.3	175.8	174.5	175.3
1978	176.5	180.3	183.0	186.0	191.3	210.3	223.0	225.8	228.9	234.0	236.8	237.6	209.5
1979	247.0	254.8											
						Pork[2]							
1965	56.9	56.1	56.8	56.5	60.2	66.0	69.8	71.1	71.7	70.7	70.5	76.6	65.2
1966	79.3	79.5	76.8	71.9	70.5	72.8	73.4	75.1	73.7	71.1	68.8	67.5	73.4
1967	66.9	65.6	63.9	62.6	65.4	69.4	70.4	69.6	68.7	66.0	66.0	64.3	66.6
1968	64.8	66.1	66.5	65.7	66.1	67.2	68.8	68.4	68.2	67.2	66.5	66.4	66.8
1969	67.3	67.9	68.4	68.5	71.0	74.3	76.2	77.6	78.2	78.0	77.4	79.0	73.6
1970	81.4	81.1	80.7	79.3	79.4	79.4	80.0	79.1	76.1	74.0	70.2	67.9	77.4
1971	67.9	68.9	69.4	68.2	67.7	69.1	70.9	71.1	70.5	70.8	70.9	72.4	69.8
1972	75.8	80.8	78.9	77.7	78.9	81.5	85.1	85.5	86.1	87.0	86.7	88.0	82.7
1973	93.6	96.6	102.5	102.2	101.9	103.6	107.0	130.9	125.7	116.5	114.8	115.2	109.2
1974	116.2	116.7	111.4	104.3	99.0	93.3	103.3	108.3	109.5	108.5	111.0	112.3	107.8
1975	114.6	114.5	113.3	115.4	122.6	130.1	143.3	149.7	153.3	158.2	153.5	147.1	134.6
1976	143.9	141.3	138.4	136.3	138.3	140.1	141.8	137.1	132.4	124.6	117.3	117.0	134.0
1977	119.5	121.0	120.9	118.8	120.8	125.6	132.0	130.2	130.7	126.8	127.4	130.5	125.4
1978	133.8	138.0	139.2	141.6	141.4	144.2	144.2	144.4	145.5	149.4	150.4	150.5	143.6
1979	154.2	157.1											
						Lamb, Choice grade							
1965	75.4	74.4	76.4	77.5	78.3	81.4	83.8	82.5	81.5	80.5	80.2	79.1	79.2
1966	81.8	85.8	87.6	86.4	85.6	86.6	86.8	86.3	85.2	84.9	86.1	84.5	85.6
1967	84.6	83.4	83.3	82.9	84.6	88.8	89.5	89.3	90.3	89.6	90.2	89.9	87.2
1968	89.8	90.4	92.0	92.5	93.3	93.7	94.5	93.6	93.1	94.5	94.2	93.5	92.9
1969	94.5	95.9	96.4	97.1	100.1	101.8	104.4	102.9	103.4	103.9	103.7	104.8	100.7
1970	104.8	104.8	104.7	105.6	103.9	105.7	106.0	106.3	106.3	105.9	105.9	106.4	105.5
1971	105.9	106.5	107.0	107.4	108.0	109.6	111.4	111.5	112.6	110.9	112.7	113.0	109.7
1972	113.0	115.3	115.5	116.0	115.7	119.0	121.2	121.5	121.0	121.5	122.5	123.7	118.8
1973	125.6	130.2	136.1	135.5	134.2	132.2	133.4	140.4	145.4	135.2	131.3	131.7	134.3
1974	132.6	138.2	141.9	141.3	141.8	144.4	151.4	151.5	154.1	151.8	152.2	155.9	146.4
1975	156.0	157.1	154.5	158.2	164.2	169.2	174.9	173.5	175.7	175.0	176.5	177.0	167.6
1976	178.3	178.3	181.8	184.0	189.0	194.1	193.6	191.2	185.7	184.9	183.6	182.6	185.6
1977	181.4	182.8	181.3	178.3	183.5	188.5	192.6	192.9	188.3	189.2	193.6	189.7	186.8
1978	199.8	206.8	214.0	220.3	224.7	236.7	222.2	222.6	220.7	221.7	223.2	222.6	219.6
1979	235.4	244.4											

[1] Estimated weighted average price of retail cuts. Compiled by Economics, Statistics, and Cooperatives Service. [2] Series revised. See Special Article in LMS-222, August 1978.

Table 10— Average retail price of specified meat cuts, per pound, by months, 1973 to date

Year and item	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
	Cents											
Choice Beef:												
Porterhouse steak												
1974	201	208	200	196	197	197	206	217	215	208	208	202
1975	201	199	196	207	234	259	268	259	261	257	251	251
1976	247	232	220	230	232	231	230	224	220	216	219	222
1977	215	215	214	217	231	236	243	244	241	242	238	245
1978	245	253	259	274	290	309	308	305	305	298	297	299
1979	306	318										
Round steak, full cut B.I.												
1974	163	171	161	157	155	152	160	169	167	160	161	156
1975	154	153	149	157	178	188	190	184	179	182	180	179
1976	177	167	166	173	171	163	161	157	154	149	157	162
1977	158	166	164	165	173	169	169	161	170	170	171	173
1978	176	177	184	197	206	216	205	208	204	203	204	209
1979	220	231										
Rib roast, small end B.I.												
1974	168	174	166	163	164	161	168	178	177	172	168	166
1975	169	166	160	168	187	212	221	212	206	202	201	201
1976	201	187	182	187	188	187	183	181	180	178	184	188
1977	189	182	180	181	185	186	189	189	188	191	196	204
1978	209	207	210	221	231	245	243	240	240	241	238	245
1979	254	257										
Rump roast, B.O.												
1974	179	185	176	171	170	167	173	182	180	175	175	172
1975	173	170	167	175	193	200	202	195	194	196	194	193
1976	190	184	175	182	180	179	174	169	169	167	172	174
1977	174	173	172	170	176	172	175	176	173	178	180	181
1978	181	182	190	199	209	218	208	210	206	207	208	212
1979	225	258										
Chuck blade pot roast B.I.												
1974	101	108	97	91	87	84	90	97	94	90	87	87
1975	87	84	81	88	99	106	109	103	100	101	100	98
1976	97	90	84	88	90	89	83	80	82	82	83	88
1977	85	84	81	82	86	83	82	82	81	87	88	89
1978	92	97	102	110	118	124	120	118	114	117	116	122
1979	137	149										
Ground beef												
1974	102	106	102	95	93	89	91	93	94	88	85	84
1975	81	78	76	80	88	91	92	88	88	87	86	87
1976	86	85	82	85	87	86	84	82	82	78	80	82
1977	81	81	79	79	82	79	80	82	81	81	82	84
1978	87	94	101	108	115	119	116	116	115	118	118	124
1979	137	147										
Veal, cutlet												
1974	341	348	350	343	341	342	340	345	348	342	336	339
1975	328	323	317	319	325	326	334	326	321	320	320	323
1976	306	305	304	301	305	310	309	307	302	298	297	296
1977	310	314	310	313	313	315	316	319	318	317	324	324
1978	310	316	321	326	336	369	391	396	402	411	415	417
1979	433	447										
Pork:												
Top loin chops												
1974	170	172	166	158	157	150	170	172	170	167	168	167
1975	172	169	168	170	183	190	209	209	211	210	210	200
1976	199	198	194	188	194	196	198	190	184	174	171	[illegible]
1977	182	180	175	173	180	178	197	196	193	190	188	[illegible]
1978	195	199	200	197	202	208	210	209	208	214	216	214
1979	225	231										
Sirloin roast												
1974	111	114	107	101	99	95	110	113	110	109	111	112
1975	114	113	112	113	122	131	149	149	151	153	151	143
1976	144	143	139	137	139	142	145	137	132	122	115	114
1977	121	122	117	113	118	120	133	129	130	126	124	127
1978	132	138	136	139	140	147	146	147	146	150	152	150
1979	160	167										
Bacon, sliced												
1974	128	127	118	113	108	100	112	124	131	130	135	134
1975	139	140	138	142	149	157	168	187	196	198	179	167
1976	162	160	155	156	160	161	164	157	158	142	128	127
1977	132	[illegible]	133	133	139	142	150	149	155	144	134	135
1978	142	[illegible]	162	173	166	162	157	155	156	158	157	156
1979	158	165										
Ham, Smoked whole												
1974	100	99	99	89	84	77	83	87	87	88	93	97
1975	98	98	95	96	100	103	110	117	121	128	128	130
1976	128	125	123	120	120	121	122	119	111	111	106	117
1977	112	109	115	108	107	119	111	110	112	116	122	128
1978	124	125	125	122	121	123	124	125	129	138	142	143
1979	143	141										
Lamb, loin chops												
1974	229	234	230	224	234	248	249	249	246	246	247	250
1975	255	257	251	262	270	278	278	281	275	278	279	282
1976	282	280	282	295	316	319	310	303	283	280	288	284
1977	290	299	301	300	320	319	320	306	316	317	319	323
1978	343	347	355	361	363	365	362	357	360	359	362	359
1979	377	390										

[1] Revised Series: Data from USDA, ESCS retail price survey. BLS data previously used, discontinued.

Table 11—Beef, Choice yield Grade 3: Retail, carcass, and farm values, spreads, and farmers' share, 1965 to present[1]

Year	Retail price[2]	Gross carcass value[3]	Carcass by-product allowance[4]	Net carcass value[5]	Gross farm value[6]	Farm by-product allowance	Net farm value[8]	Farm-retail spread: Total	Farm-retail spread: Carcass-retail	Farm-retail spread: Farm-carcass	Farmers' share[9]
	Cents/lb.										*Percent*
1965	82.0	60.2	1.1	59.1	59.9	6.1	53.8	28.2	22.9	5.3	66
1966	84.4	60.7	1.1	59.6	61.0	6.7	54.3	30.1	24.8	5.3	64
1967	84.6	61.7	1.1	60.6	60.4	5.2	55.2	29.4	24.0	5.4	65
1968	88.7	65.5	1.2	64.3	64.0	5.2	58.8	29.9	24.4	5.5	66
1969	98.6	71.3	1.3	70.0	70.7	6.2	64.5	34.1	28.6	5.5	65
1970	101.7	71.1	1.3	69.8	70.2	6.3	63.9	37.8	31.9	5.9	63
1971	108.1	78.8	1.4	77.4	76.7	6.2	70.5	37.6	30.7	6.9	65
1972	118.7	83.5	1.5	82.0	85.0	9.4	75.6	43.1	36.7	6.4	64
1973	142.1	102.5	1.8	100.7	106.8	12.6	94.2	47.9	41.4	6.5	66
1974	146.3	101.8	1.8	100.0	101.5	10.1	91.4	54.9	46.3	8.6	62
1975	154.8	110.2	2.0	108.2	108.6	9.6	99.0	55.8	46.6	9.2	64
1976	148.2	93.1	1.7	91.5	94.4	10.4	84.1	64.1	56.7	7.4	57
1977	148.4	95.7	1.9	93.8	97.3	11.8	85.5	62.9	54.6	8.3	58
1978	181.9	121.6	2.3	119.3	126.1	15.0	111.1	70.8	62.6	8.2	61
1973											
I	135.2	99.3	1.8	97.5	103.1	11.9	91.2	44.0	37.7	6.3	67
II	142.3	104.4	1.9	102.5	109.6	12.8	96.8	45.5	39.8	5.7	68
III	148.8	110.1	2.0	108.1	117.9	14.0	103.9	44.9	40.7	4.2	70
IV	142.0	96.1	1.7	94.4	96.8	11.9	84.9	57.1	47.6	9.5	60
1974											
I	152.6	108.7	2.0	106.7	109.5	12.2	97.3	55.3	45.9	9.4	64
II	141.7	97.8	1.8	96.0	96.4	9.7	86.7	55.0	45.7	9.3	61
III	148.8	106.6	1.9	104.7	107.2	10.4	96.8	52.0	44.1	7.9	65
IV	142.1	94.3	1.7	92.6	92.8	8.4	84.4	57.7	49.5	8.2	59
1975											
I	137.2	90.5	1.6	89.0	87.5	7.2	80.0	57.2	48.2	9.0	58
II	155.3	118.5	2.1	116.4	117.6	9.8	107.8	47.5	38.9	8.6	69
III	166.0	120.6	2.2	118.4	118.1	10.7	107.5	58.5	47.6	10.9	65
IV	160.9	111.3	2.0	109.3	111.0	10.5	100.5	60.4	51.6	8.8	62
1976											
I	151.3	94.3	1.7	92.7	93.4	9.4	84.0	67.3	58.6	8.7	56
II	150.8	97.6	1.7	95.8	100.5	11.5	89.0	61.8	55.0	6.8	59
III	145.3	88.0	1.6	86.4	89.9	10.4	79.5	65.8	58.9	6.9	55
IV	145.4	92.6	1.7	90.9	94.0	10.2	83.8	61.6	54.5	7.1	58
1977											
I	144.6	89.9	1.7	88.2	91.2	11.5	79.7	64.9	56.4	8.5	55
II	146.4	95.5	1.9	93.6	98.6	12.5	87.0	59.4	52.8	6.6	59
III	149.0	96.1	2.1	93.9	97.3	11.6	85.7	63.3	55.1	8.2	58
IV	153.4	101.3	1.9	99.4	102.3	11.7	90.5	62.9	54.0	8.9	59
1978											
I	162.7	108.5	2.0	106.4	110.4	12.6	97.8	64.9	56.3	8.6	60
II	185.7	129.1	2.2	126.9	133.8	14.2	119.6	66.1	58.8	7.3	64
III	189.4	124.3	2.4	121.9	129.3	16.2	113.1	76.3	67.5	8.8	60
IV	189.7	124.5	2.4	122.1	131.0	17.2	113.8	75.9	67.6	8.3	60
1977											
Jan.	147.1	91.7	1.7	90.0	91.9	11.2	80.7	66.4	57.1	9.3	55
Feb.	144.0	90.3	1.7	88.6	91.5	11.3	80.2	63.8	55.4	8.4	56
Mar.	142.7	87.7	1.8	85.9	90.3	12.1	78.2	64.5	56.8	7.7	55
Apr.	143.5	92.8	1.9	90.9	97.2	13.1	84.1	59.4	52.6	6.8	59
May	148.4	97.9	1.9	96.0	101.3	12.8	88.5	59.9	52.4	7.5	60
June	147.3	95.7	1.9	93.8	97.2	11.7	85.5	61.8	53.5	8.3	58
July	148.4	96.9	2.1	94.8	98.6	11.6	87.0	61.4	53.6	7.8	59
Aug.	149.4	95.3	2.2	93.1	96.1	11.6	84.5	64.9	56.3	8.6	57
Sept.	149.2	96.0	2.1	93.9	97.2	11.5	85.7	63.5	55.3	8.2	57
Oct.	152.0	100.4	1.9	98.5	101.8	11.5	90.3	61.7	53.5	8.2	59
Nov.	152.5	100.1	1.9	98.2	101.0	11.8	89.2	63.3	54.3	9.0	58
Dec.	155.7	103.5	2.0	101.5	104.0	11.9	92.1	63.6	54.2	9.4	59
1978											
Jan.	159.5	104.2	2.1	102.1	104.7	12.3	92.4	67.1	57.4	9.7	58
Feb.	161.7	107.8	2.0	105.8	108.5	12.4	96.1	65.6	55.9	9.7	59
Mar.	167.0	113.4	2.0	111.4	118.1	13.1	105.0	62.0	55.6	6.4	63
Apr.	176.0	123.1	2.1	121.0	127.5	13.5	114.0	62.0	55.0	7.0	65
May	185.9	133.7	2.2	131.5	139.2	14.3	124.9	61.0	54.4	6.6	67
June	195.2	130.5	2.2	128.3	134.6	14.7	119.9	75.3	66.9	8.4	61
July	191.6	127.6	2.3	125.3	131.8	15.0	116.8	74.8	66.3	8.5	61
Aug.	189.3	121.0	2.5	118.5	125.8	16.3	109.5	79.8	70.8	9.0	58
Sept.	187.4	124.3	2.5	121.8	130.4	17.4	113.0	74.4	65.6	8.8	60
Oct.	187.6	123.8	2.4	121.4	130.2	17.5	112.7	74.9	66.2	8.7	60
Nov.	187.8	121.6	2.4	119.2	128.3	17.1	111.2	76.6	68.6	8.0	59
Dec.	193.6	128.2	2.5	125.7	134.4	16.9	117.5	76.1	67.9	8.2	61
1979											
Jan.	204.9	141.1	2.6	138.5	145.7	17.6	128.1	76.8	66.4	10.4	62
Feb.	215.3	147.7	2.7	145.0	156.8	19.8	137.0	78.3	70.3	8.0	64
Mar.											
Apr.											
May											
June											
July											
Aug.											
Sept.											
Oct.											
Nov.											
Dec.											

[1] Revised series. [2] Estimated weighted average price of retail cuts from Choice Yield Grade 3 carcass. [3] Value of carcass quantity equivalent to 1 lb. of retail cuts. A wholesale carcass equivalent of 1,464 was used prior to 1970, it was increased gradually to 1,476 in 1976 and later years. [4] Portion of gross carcass value attributed to fat and bone trim [5] Gross carcass value minus carcass byproduct allowance. [6] Market value to producer for quantity of live animal equivalent to 1 lb. of retail cuts. The farm product equivalent of 2.36 was used prior to 1970; it was increased gradually to 2.40 in 1976 and later years. [7] Portion of gross farm value attributed to edible and inedible byproducts. [8] Gross farm value minus farm byproduct allowance. [9] Percent net farm value is of retail price.

Table 12—Pork: Retail, wholesale, and farm values, spreads, and farmers' share, 1965 to present[1]

Year	Retail price[2]	Wholesale value[3]	Gross farm value[4]	Byproduct allowance[5]	Net farm value[6]	Farm-Retail Spread: Total	Farm-Retail Spread: Wholesale retail	Farm-Retail Spread: Farm-wholesale	Farmers' value[7]
	Cents/lb.								*Percent*
1965	65.2	55.8	44.0	3.9	40.1	25.1	9.4	15.7	62
1966	73.4	61.6	48.0	4.1	43.9	29.5	11.8	17.7	60
1967	66.6	55.0	39.2	2.9	36.3	30.3	11.6	18.7	55
1968	66.8	55.3	38.0	2.4	35.6	31.2	11.5	19.7	53
1969	73.6	62.8	46.4	3.7	42.7	30.9	10.8	20.1	58
1970	77.4	63.4	43.0	3.7	39.3	38.1	14.0	24.1	51
1971	69.8	57.0	34.9	2.9	32.0	37.8	12.8	25.0	46
1972	82.7	71.3	49.6	3.4	46.2	36.5	11.4	25.1	56
1973	109.2	95.8	73.8	6.2	67.6	41.6	13.4	28.2	62
1974	107.8	85.5	63.6	6.4	57.2	50.6	22.3	28.3	53
1975	134.6	115.3	86.5	6.6	79.8	54.8	19.3	35.5	59
1976	134.0	105.2	75.8	4.8	71.0	63.0	28.8	34.2	53
1977	125.4	99.0	70.2	4.6	65.6	59.8	26.4	33.4	52
1978	143.6	107.7	82.5	5.9	76.6	67.0	35.9	31.1	53
1973									
I	97.6	87.9	64.8	4.5	60.3	37.3	9.7	27.6	62
II	102.6	87.2	67.0	5.8	61.2	41.4	15.4	26.0	60
III	121.2	111.7	89.2	8.0	81.2	40.0	9.5	30.5	67
IV	115.5	96.5	74.5	6.8	67.7	47.8	19.0	28.8	59
1974									
I	114.8	90.9	68.7	6.7	62.0	52.8	23.9	28.9	54
II	98.9	73.3	50.1	4.7	45.4	53.5	25.6	27.9	46
III	107.0	85.6	65.5	6.5	59.0	48.0	21.4	26.6	55
IV	110.6	92.2	69.9	7.4	62.5	48.1	18.4	29.7	56
1975									
I	114.1	95.2	69.3	5.5	63.7	50.4	18.9	31.5	56
II	122.7	107.5	81.1	6.3	74.8	47.9	15.2	32.7	61
III	148.8	132.0	103.6	7.9	95.7	53.1	16.8	36.3	64
IV	152.9	126.6	91.9	6.6	85.2	67.7	26.3	41.4	56
1976									
I	141.2	112.1	83.0	5.4	77.6	63.6	29.1	34.5	55
II	138.2	112.9	85.1	5.3	79.8	58.4	25.3	33.1	58
III	137.1	104.5	75.9	5.0	70.9	66.2	32.6	33.6	52
IV	119.6	91.5	59.2	3.7	55.5	64.1	28.1	36.0	46
1977									
I	120.5	95.0	66.4	4.5	61.9	58.6	25.5	33.1	51
II	121.7	96.6	69.4	4.8	64.6	57.1	25.1	32.0	53
III	131.0	100.9	74.5	4.8	69.7	61.3	30.1	31.2	53
IV	128.2	103.3	70.4	4.4	66.0	62.2	24.9	37.3	52
1978									
I	137.0	104.8	80.7	5.6	75.1	61.9	32.2	29.7	55
II	142.4	105.6	81.3	5.8	75.5	66.9	36.8	30.1	53
III	144.7	107.6	82.4	6.0	76.4	68.3	37.1	31.2	53
IV	150.1	112.7	85.3	6.1	79.2	70.9	37.4	33.5	53
1977									
Jan.	119.5	96.4	67.2	4.4	62.8	56.7	23.1	33.6	53
Feb.	121.0	95.8	68.3	4.7	63.6	57.4	25.2	32.2	53
Mar.	120.9	92.8	63.8	4.5	59.3	61.6	28.1	33.5	49
Apr.	118.8	91.4	62.8	4.5	58.3	60.5	27.4	33.1	49
May	120.8	97.2	71.0	5.0	66.0	54.8	23.6	31.2	55
June	125.6	101.3	74.6	4.9	69.7	55.9	24.3	31.6	56
July	132.0	103.9	77.8	5.1	72.7	59.3	28.1	31.2	55
Aug.	130.2	101.3	75.4	4.8	70.6	59.6	28.9	30.7	54
Sept.	130.7	97.7	70.4	4.5	65.9	64.8	33.0	31.8	50
Oct.	126.8	100.7	69.4	4.4	65.0	61.8	26.1	35.7	51
Nov.	127.4	102.4	66.9	4.2	62.7	64.7	25.0	39.7	49
Dec.	130.5	106.7	74.8	4.5	70.3	60.2	23.8	36.4	54
1978									
Jan.	133.8	101.7	78.2	5.2	73.0	60.8	32.1	28.7	55
Feb.	138.0	106.9	83.0	5.6	77.4	60.6	31.1	29.5	56
Mar.	139.2	105.8	80.8	6.0	74.8	64.4	33.4	31.0	54
Apr.	141.6	104.6	78.3	5.6	72.7	68.9	37.0	31.9	51
May	141.4	106.9	83.6	5.9	77.7	63.7	34.5	29.2	55
June	144.2	105.4	82.1	6.0	76.1	68.1	38.8	29.3	53
July	144.2	104.7	79.6	5.7	73.9	70.3	39.5	30.8	51
Aug.	144.4	107.5	82.8	6.0	76.8	67.6	36.9	30.7	53
Sept.	145.5	110.7	85.0	6.4	78.6	66.9	34.8	32.1	54
Oct.	149.4	114.8	89.1	6.5	82.6	66.8	34.6	32.2	55
Nov.	150.4	111.0	82.4	5.8	76.6	73.8	39.4	34.4	51
Dec.	150.5	112.2	84.4	5.9	78.5	72.0	38.3	33.7	52
1979									
Jan.	154.2	116.0	88.6	6.4	82.4	71.8	38.2	33.6	53
Feb.	157.1	116.0	92.3	7.3	85.0	72.1	41.1	31.0	54
Mar.									
Apr.									
May									
June									
July									
Aug.									
Sept.									
Oct.									
Nov.									
Dec.									

[1] Revised series. [2] Estimated weighted average price of retail cuts from pork carcass. [3] Value of wholesale quantity equivalent to 1 lb. of retail cuts. A wholesale carcass equivalent of 1.06 is used for all years. [4] Market values to producer for quantity of live animal equivalent to 1 lb. of retail cuts. The farm product equivalent of 2.12 was used prior to 1959; it was decreased gradually to 1.70 in 1977 and later. [5] Portion of gross farm value attributable to edible and inedible byproducts. [6] Gross farm value minus byproduct allowance. [7] Percent net farm value is of retail price.

THE OUTLOOK FOR HAMBURGER

By Donald B. Agnew, Agricultural Economist
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Consumer concern over rising meat prices has focused mainly on hamburger prices. During the recent years of cattle herd liquidation, hamburger supplies were plentiful and hamburger was a weekly price feature in many supermarkets. Now the rebuilding phase of the cattle cycle is starting and slaughter of cattle, particularly those which are the principal sources of hamburger, is declining. The beef production mix is changing—nonfed cattle and cull cows falling, the grain-fed proportion increasing. Hamburger, while still one of the lower priced beef items, is experiencing price increases somewhat greater than the price increases for other meats. Consumers who are attempting to stabilize their outlays for meat by purchasing more lower priced items are particularly sensitive to the recent increase in the price of hamburger.

The prospects for hamburger supplies this year are developed. Commercial beef production is expected to be about 22 billion pounds this year, 8 percent below last year. Most table cuts of beef come from fed steers and heifers, while most of our hamburger supply comes from non-fed cattle and imported lean beef. Beef imports will be slightly larger than last year. A considerable amount of fed-beef trimmings is used in hamburger production, much of it being ground at retail stores when cutting beef for the meat case.

Processing-Beef Supply

Processing beef includes all beef which is ground, cured, or cooked. Ground processing beef is used in processed products (sausages, stews, frozen dinners, and soups, for example) as well as hamburger. It is obtained from four principal classes of domestic cattle and imported beef, as shown in table 1. The yield of processing beef typically obtained from each source listed in table 2 varies.

The average fed beef carcass yields about 20 percent of its weight as trimmings and other low value cuts whose most economical use is for ground beef production. The tenderloin is usually pulled from cow carcasses, but the remaining 85 percent of the carcass is ground for use as processing beef. Almost all bull beef is ground for use in processed products because of its excellent binding characteristics when used in combination with other meats as ingredients in processed foods. Much of the nonfed steer and heifer carcass is used for lower quality-grade table cuts, but 32 percent is ground (compared to 20 percent of the fed beef carcass). All but the hanging tenders, ribeyes, and larger rounds from these lean carcasses are of higher value when ground for processing beef. Finally, about a tenth of imported beef items are table cuts with the remaining 90 percent being frozen boneless beef.

These yields of processing beef vary somewhat over the cattle cycle, especially for cow and nonfed steer and heifer carcasses where relative prices dic-

Table 1—Sources of beef supply

	1978	1979[1]
	Billion lbs.—carcass wt.)	
Domestic slaughter		
Fed steers and heifers	17.3	17.4
Cull cows	4.3	3.8
Bulls	.6	.4
Other nonfed steers & heifers	1.8	.3
Imported beef	2.3	2.4
Total	26.3	24.3

[1] Forecast. Permissible imports in 1979 of 1,570 million pounds (product weight) plus an allowance of 15 percent for items not subject to the import quota.

Table 2—Average yields of processing beef[1]

(Percent of carcass equivalent weight)

Source	*Percent*
Fed steer and heifer beef	20
Cow beef	85
Bull beef	100
Other nonfed steer and heifer beef	32
Imported beef	90

[1] Estimates for 1978 and 1979; proportions vary somewhat at different stages of the cattle cycle as fed and nonfed slaughter mix changes.

tate some variance in cutting and trimming procedures. In times of short supply more of the chucks and rounds from fed-beef carcasses may be ground also. While such variations in the yield of processing beef from the five sources listed are well known, they cannot be estimated with sufficient precision to forecast such change. Therefore, the estimated supply of processing beef presented here is based on average yields as shown in table 2.

The total supply of processing beef for 1979 is forecast to be 9.4 billion pounds, down 1 billion pounds (9 percent) from 1978 (see table 3). Seasonally, the supply dropped this winter and spring from its October-December 1978 level, but is expected to increase nearly 6 percent in the last half of the year over the spring quarter.

Uses of Processing Beef in Processed Meat Products and Ground Beef

The estimated supply of hamburger is derived by apportioning the total supply of processing beef into uses for processed products and for ground beef, usually consumed as hamburger. For 1978, estimated usage of processing beef was 4.5 billion pounds (43 percent) in processed products, 5.9 billion pounds (57 percent) in ground beef. The ground beef estimate is not divided between consumption at home and away from home, but in recent years, fast-food outlets have marketed about one-third of the total.

If processed products maintain their 1978 percentage share of the processing-beef supply in 1979, about 4.1 billion pounds of beef would be used in processed products this year, about 9 percent less than in 1978. However, the output of processed products will not drop proportionately since processors can increase their use of variety meats, pork, poultry, and vegetable proteins as substitutes for beef ingredients. Processors will likely also bid more of the fed-beef chucks, rounds, and trimmings away from the table beef supply; the amount cannot be estimated at this time. This would also augment the supply for hamburger.

If 4.1 billion pounds of beef are used in processed products, 5.3 billion pounds are available for ground beef. Thus, the ground beef supply would be only 2.5 pounds per person (carcass weight equivalent) below the 1978 levels—24.5 pounds versus 27 pounds.

A Look at Hamburger Prices

Hamburger prices averaged $1.11 per pound in 1978, the composite price for all cuts of Choice beef averaged $1.83 per pound (table 4). In February 1979, hamburger prices averaged $1.47 per pound, the composite price for all cuts from the fed beef carcass averaged $2.15 per pound. This means hamburger prices averaged 68 percent of the composite price for all beef cuts in February.

Table 3—Processing beef supply and disposition
(Carcass equivalent weight)

	1978					1979				
	I	II	III	IV	Annual	I	II	III	IV	Annual
	Million pounds									
Processing beef										
Sources										
Fed steers and heifers	898	858	857	894	3,507	902	868	862	885	3,516
Cull cows	1,044	931	864	874	3,674	860	786	807	816	3,270
Nonfed steers and heifers	117	147	172	148	583	37	15	31	26	109
Bulls	131	150	147	142	569	92	95	95	96	378
Total domestic	2,150	2,087	2,039	2,058	8,333	1,891	1,764	795	1,823	7,273
Imports	457	561	491	532	2,041	521	517	616	521	2,176
Total	2,606	2,648	2,530	2,590	10,374	2,412	2,281	2,411	2,344	9,449
Disposition										
Processed products[1]	1,122	1,170	1,100	1,109	4,501	1,047	990	1,046	1,017	4,101
Ground beef2	1,484	1,477	1,430	1,481	5,873	1,365	1,291	1,365	1,327	5,348
Per capita consumption										
Processed products[1]	5.2	5.4	5.1	5.1	20.8	4.8	4.6	4.8	4.6	18.8
Ground beef[2]	6.9	6.8	6.6	6.8	27.1	6.3	5.9	6.2	6.1	24.5
Total	12.1	12.2	11.7	11.9	47.9	11.1	10.5	11.0	10.7	43.3

[1] Processed products include cured, flaked and formed, sausages including frankfurters, cooked, canned, prepared dinner products. etc. Processed-products ingredients also utilize beef head and cheek meat and variety meats, not included in these estimates. Many products also contain pork trimmings and variety meats, textured vegetable proteins, cereals, dairy products, and poultry; quantities not included in these estimates. [2] Total consumption at home and away from home.

Table 4—Retail prices for hamburger and all-cuts average for Choice beef, 1976-1978

	Jan.-Mar.	Apr.-Jun.-	Jul.-Sept.	Oct.-Dec.	Year
	Cents per lb.				
Ground beef:					
1976	84.3	86.0	82.7	80.0	83.2
1977	80.3	80.0	81.0	82.3	80.9
1978	94.0	114.0	115.7	120.0	110.9
All-beef cuts:					
1976	151.3	150.8	145.3	145.4	148.2
1977	144.6	146.4	149.0	153.4	148.4
1978	162.7	185.7	189.4	189.7	181.9

The composite retail price for all cuts of Choice grade beef is expected to average near $2.30 per pound in the third (summer) quarter when prices usually peak. Over the past 12 years, the hamburger price by quarters, varied from 59 percent to 70 percent of the composite retail price for Choice beef. During 1966-1971, the hamburger price ranged between 61 percent and 65 percent. At 70 percent of the composite retail price for Choice grade beef, hamburger might average about $1.60 per pound this summer.

Hamburger prices in 1979 may continue at a level above their usual relationship to the composite price of all cuts of Choice grade beef in recent years. But as this percentage increases, consumers probably will follow beef price specials more closely and substitute other meats and poultry for hamburger. Packers and processors will grind more chucks and rounds into hamburger, and processors will use more vegetable proteins and other extenders and substitute more pork and poultry in sausage products. Also, more food retailers will likely offer consumers an additional ground beef product extended with vegetable protein and priced below hamburger. Fast-food restaurants will likely adjust to the reduced hamburger supply and higher prices by increasing their menu offerings of poultry, pork, and seafood items.

A LOOK AT FOOD PRICES

Developments in Marketing Spreads for Food Products in 1978, recently published by the Economics, Statistics, and Cooperatives Service, outlines what's behind last year's food price increases—how much was due to higher farm values and how much to rising marketing costs. Single copies are available free from ESCS Publications, Rm. 0054-S, USDA, Washington, D.C. 20250. Ask for AER No. 420.

Supply and distribution of commercially produced meat, by months, carcass weight

Meat and period	Supply: Production[6]	Supply: Beginning stocks[4]	Supply: Imports	Distribution: Exports and shipments	Distribution: Ending stocks[4]	Distribution: Military	Civilian consumption: Total	Civilian consumption: Per person[2]
	Million pounds							*Pounds*
Beef:								
1978								
January	2,078	316	143	15	313	13	2,196	10.2
February	1,954	313	166	18	319	8	2,088	9.7
March	2,074	319	198	18	357	17	2,199	10.2
April	1,910	357	224	17	372	20	2,082	9.6
May	2,066	372	208	17	389	42	2,198	10.2
June	1,962	389	192	19	375	28	2,121	9.8
July	1,852	375	179	16	335	9	2,046	9.5
August	2,097	335	155	24	316	29	2,218	10.2
September	1,974	316	212	19	332	18	2,133	9.8
October	2,103	332	197	16	350	16	2,250	10.4
November	2,038	350	225	16	388	20	2,189	10.1
December	1,902	388	198	19	405	17	2,047	9.4
1979								
January	2,069	405	226	15	430	23	2,232	10.3
February	1,700	431						
Veal:								
1978								
January	62	11	2	1	13	1	60	.3
February	56	13	3	(3)	13	(3)	59	.3
March	60	13	1	1	12	1	60	.2
April	50	12	3	1	13	1	50	.2
May	52	13	2	1	11	(3)	55	.3
June	47	11	1	(3)	10	1	48	.2
July	44	10	1	1	9	(3)	45	.2
August	50	9	1	(3)	8	1	51	.3
September	45	8	1	(3)	10	(3)	44	.2
October	48	10	2	(3)	8	(3)	52	.2
November	45	8	4	1	8	1	47	.2
December	41	8	4	1	9	(3)	43	.2
1979								
January	41	9	2	1	10	1	40	.2
February	35	10						
Lamb & Mutton:								
1978								
January	25	10	3	(3)	9	(3)	29	.1
February	22	9	4	(3)	9	(3)	26	.1
March	28	9	3	1	8	(3)	31	.2
April	25	8	5	(3)	9	(3)	29	.2
May	26	9	3	(3)	10	(3)	28	.1
June	25	10	3	(3)	10	(3)	27	.1
July	23	10	5	(3)	12	(3)	26	.1
August	25	12	3	1	11	(3)	28	.1
September	25	11	3	(3)	11	(3)	28	.2
October	27	11	2	1	12	(3)	27	.1
November	25	12	2	(3)	12	(3)	27	.1
December	24	12	3	1	12	(3)	26	.1
1979								
January	23	12	4	(3)	11	(3)	28	.1
February	22	11						
Pork:[5]								
1978								
January	1,051	186	42	35	175	9	1,060	4.9
February	1,013	175	42	26	174	6	1,024	4.8
March	1,179	174	50	30	218	9	1,146	5.3
April	1,093	218	46	32	281	11	1,033	4.8
May	1,125	281	40	37	281	12	1,116	5.1
June	1,047	281	37	32	258	12	1,063	4.9
July	964	258	41	28	218	7	1,010	4.7
August	1,101	218	33	39	178	11	1,124	5.2
September	1,095	178	33	34	176	12	1,084	5.0
October	1,176	176	51	40	207	10	1,146	5.3
November	1,236	207	40	48	245	9	1,181	5.4
December	1,129	245	40	40	242	10	1,122	5.2
1979								
January	1,147	242	43	36	225	13	1,158	5.3
February	1,001	225						
Total Meat:								
1978								
January	3,216	523	190	51	510	23	3,345	15.5
February	3,045	510	215	44	515	14	3,197	14.9
March	3,341	515	252	50	595	27	3,436	15.9
April	3,078	595	278	50	675	32	3,194	14.8
May	3,269	675	253	55	691	54	3,397	15.7
June	3,081	691	233	51	653	41	3,260	15.0
July	2,883	653	226	45	574	16	3,127	14.5
August	3,273	574	192	64	513	41	3,421	15.8
September	3,139	513	249	53	529	30	3,289	15.2
October	3,354	529	252	57	577	26	3,475	16.0
November	3,344	577	271	65	653	30	3,444	15.8
December	3,096	653	245	61	668	27	3,238	14.9
1979								
January	3,280	668	275	52	676	37	3,458	15.9
February	2,758	677						

[1] Excludes production from farm slaughter. [2] Derived from estimates by months of population eating out of civilian food supplies. [3] Less than 500,000 lb. [4] Beginning 1977, excludes beef and pork stocks in cooler. [5] Change in carcass weight. See article by L.A. Duewer. [6] Totals based on unrounded data.

Selected price statistics for meat animals and meat

Item	1978							1979		
	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.
	Dollars per 100 pounds									
SLAUGHTER STEERS:										
Omaha:										
Choice, 900-1100 lb.	55.38	54.59	52.40	54.26	54.93	53.82	55.54	60.35	64.88	71.04
Good, 900-1100 lb.	50.60	50.06	48.59	50.02	50.67	49.97	51.40	56.01	61.18	66.46
California, Choice 900-1100 lb.	58.03	55.81	52.95	54.44	52.69	52.85	58.03	62.20	67.88	75.12
Colorado, Choice 900-1100 lb.	56.22	54.71	52.09	54.60	54.46	54.18	56.56	60.64	64.75	72.05
Texas, Choice 900-1100 lb.	55.94	54.48	51.96	54.19	53.98	53.70	56.85	61.28	65.14	72.15
SLAUGHTER HEIFERS:										
Omaha:										
Choice, 900-1100 lb.	53.45	51.71	50.49	51.82	52.72	52.27	54.06	58.74	63.12	68.66
Good, 700-900 lb.	47.49	47.04	45.44	47.08	48.71	48.64	50.40	54.62	58.85	68.24
COWS:										
Omaha:										
Commercial	38.80	39.40	38.55	40.46	41.35	40.04	42.46	48.04	51.72	54.11
Utility	37.61	38.09	37.85	39.75	40.46	39.30	41.85	47.33	50.81	52.94
Cutter	35.98	36.66	35.87	38.23	39.01	38.30	40.27	44.97	48.94	51.50
Canner	33.48	34.41	33.70	35.79	37.02	36.51	38.62	41.92	46.15	49.15
VEALERS:										
Choice, S. St. Paul	73.28	75.72	81.66	83.25	81.82	78.60	78.00	80.73	91.48	97.50
FEEDER STEERS:										
Kansas City:										
Choice, 400-500 lb.	67.00	68.42	71.61	74.51	72.30	73.03	78.27	85.19	94.70	101.04
Choice, 600-700 lb.	58.56	60.60	63.08	64.46	64.88	64.85	69.83	75.29	80.26	87.25
Good, 600-700 lb.	53.38	55.60	56.30	58.26	57.62	57.14	60.88	66.20	72.10	77.45
All weights and grades	57.42	58.67	58.22	60.23	62.06	60.75	64.19	69.95	75.61	82.55
Amarillo:										
Choice, 600-700 lb.	57.03	59.67	59.92	63.50	61.75	64.15	67.39	74.74	80.23	88.11
Georgia Auctions:										
Choice, 600-700 lb.	53.25	55.00	56.80	59.12	57.62	60.00	63.17	69.70	76.88	80.88
Good, 400-500 lb.	54.00	56.75	61.30	63.12	61.12	64.60	69.67	76.20	85.62	92.62
FEEDER HEIFERS:										
Kansas City:										
Choice, 400-500 lb.	55.82	58.41	61.06	62.91	62.11	62.51	68.19	73.35	81.66	87.51
Choice, 600-700 lb.	53.29	56.16	56.30	58.56	57.35	57.15	62.54	67.12	71.53	75.49
SLAUGHTER HOGS:										
Barrows and Gilts:										
Omaha:										
Nos. 1 & 2, 200-230 lb.[1]	49.17	47.90	49.32	50.50	53.16	49.78	51.29	53.64	55.38	49.82
All weights	47.95	46.62	48.48	50.05	52.28	48.18	48.99	51.75	54.38	49.10
Sioux City	48.19	46.94	48.83	50.34	52.58	48.68	49.73	52.11	54.93	49.66
7 markets[2]	48.31	46.78	48.77	50.00	52.23	48.36	49.57	52.13	54.42	49.38
Sows:										
7 markets[2]	42.82	41.36	43.77	45.10	47.04	41.94	41.64	46.20	49.22	45.47
FEEDER PIGS:										
Nos. 1 & 2, So. Mo., 40-50 lb. (per hd.)	45.36	45.21	50.83	52.91	51.84	47.01	44.49	42.26	52.54	53.14
SLAUGHTER LAMBS:										
Lambs, Choice, San Angelo	61.44	60.62	59.70	62.88	62.50	62.00	65.83	73.80	69.12	64.00
Lambs, Choice, So. St. Paul	58.42	57.41	56.92	61.49	59.42	58.58	66.04	74.66	69.88	64.22
Ewes, Good, San Angelo	25.50	27.33	28.80	31.88	33.25	34.75	36.67	36.90	37.62	45.75
Ewes, Good, So. St. Paul	17.50	18.00	20.20	21.38	20.78	20.56	22.90	24.12	27.50	28.15
FEEDER LAMBS:										
Choice, San Angelo	68.75	69.33	76.10	80.38	78.00	79.88	82.33	86.30	84.50	84.25
Choice, So. St. Paul	62.50	62.11	65.50	70.16	67.98	68.30	70.10	80.20	78.82	67.15
FARM PRICES:										
Beef cattle:	51.30	49.80	48.80	51.60	53.20	51.50	54.10	59.80	64.10	70.20
Calves	59.00	59.90	61.70	65.40	66.60	66.50	71.90	78.10	85.50	93.80
Hogs	47.70	45.20	47.50	47.60	51.10	46.70	48.00	50.60	52.80	49.40
Sheep	19.20	19.10	20.50	23.90	24.40	24.50	25.50	27.80	28.50	31.00
Lambs	62.80	58.70	58.90	64.50	62.80	61.90	65.10	73.10	71.80	64.20
MEAT PRICES:										
Wholesale:										
Central U.S. markets[3]										
Steer beef, Choice, 600-700 lb.	85.95	84.81	79.94	81.96	82.14	80.98	84.75	93.57	97.47	104.59
Heifer beef, Choice, 500-600 lb.	83.84	82.46	77.96	79.74	80.14	78.96	83.47	92.18	96.75	102.75
Cow beef, Canner and Cutter	73.53	77.62	74.99	77.50	80.25	85.00	87.88	100.05	102.28	105.20
Pork loins, 8-14 lb.	100.54	97.03	93.66	101.78	106.24	95.36	96.06	110.78	108.10	94.98
Pork bellies, 12-14 lb.	56.87	57.93	58.39	60.46	61.58	58.30	57.74	60.23	62.53	54.46
Hams, skinned, 14-17 lb.	77.45	78.07	83.54	90.70	99.71	105.24	99.86	83.58	86.27	85.02
East Coast:										
Lamb, Choice and Prime, 35-45 lb.	122.23	116.93	119.02	124.88	126.26	124.52	134.79	145.81	144.58	142.16
Lamb, Choice and Prime, 55-65 lb.	115.12	113.46	116.00	121.06	121.60	108.17	126.25	142.48	129.82	127.97
West Coast:										
Steer Beef, Choice, 600-700 lb.	91.37	88.06	84.32	88.17	84.42	82.54	89.08	96.42	101.81	
Retail:[4]										
Beef, Choice	195.2	191.6	189.3	187.4	187.6	187.8	193.6	204.9	215.3	
Veal	210.3	223.0	225.8	228.9	234.0	236.8	237.6	247.0	254.8	
Pork	144.2	144.2	144.4	145.5	149.4	150.4	150.5	154.2	157.1	
Lamb	236.7	222.2	222.6	220.7	221.7	223.2	222.6	235.4	244.4	
Price Indexes (BLS, 1967=100)[4]										
Wholesale meat	220.4	213.2	206.9	215.5	222.1	211.7	220.3	234.1	240.8	
Retail meat	216.5	214.5	213.2	212.7	215.3	217.6	219.4	227.6	238.6	
Beef and veal	216.0	213.0	211.6	209.7	211.3	212.5	215.4	227.7	243.4	
Pork	215.8	214.4	212.4	213.7	218.7	222.6	223.4	226.7	232.3	
Other meats	214.4	214.3	215.2	215.7	216.7	219.4	219.8	223.7	229.6	
LIVESTOCK-FEED RATIOS, OMAHA[5]										
Beef steer-corn	23.8	25.5	26.5	27.8	26.8	26.3	26.6	28.4	30.3	32.7
Hog-corn	20.6	21.8	24.5	25.7	25.5	23.5	23.4	24.5	25.4	22.6

[1] Prior to Jan. 1, 1979, 200-220 lb. [2] St. Louis N.S.Y., Kansas City, Omaha, Sioux City, S. St. Joseph, S. St. Paul, and Indianapolis. [3] Prior to Jan. 1979, Midwest markets. [4] See special article, LMS-222. [5] Bushels of No. 2 Yellow Corn equivalent in value of 100 pounds liveweight.

Selected marketings, slaughter and stock statistics for meat animals and meat

Item	Unit	1978										1979	
		Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.
FEDERALLY INSPECTED:													
Slaughter:													
Cattle	1,000 head	3,243	2,969	3,215	3,052	2,869	3,247	3,027	3,180	3,029	2,833	3,090	2,559
Steers	1,000 head	1,553	1,410	1,549	1,442	1,326	1,487	1,354	1,434	1,408	1,394	1,605	1,352
Heifers	1,000 head	934	855	909	864	885	1,026	1,000	1,008	918	826	886	724
Cows	1,000 head	693	643	688	676	597	664	610	668	641	562	549	440
Bulls and stags	1,000 head	63	61	68	69	60	70	63	70	62	51	50	43
Calves	1,000 head	386	304	288	271	261	304	275	287	274	267	265	212
Sheep and lambs	1,000 head	487	430	451	441	406	438	435	457	413	396	391	354
Hogs	1,000 head	6,795	6,213	6,298	5,778	5,402	6,227	6,203	6,576	6,737	6,101	6,393	5,693
Percentage sows	Percent	5	4	4	5	6	6	5	5	5	6	5	5
Average liveweight per head													
Cattle	Pounds	1,033	1,032	1,033	1,032	1,032	1,037	1,047	1,053	1,070	1,073	1,070	1,058
Calves	Pounds	205	207	220	213	207	203	200	203	201	197	201	206
Sheep and lambs	Pounds	113	113	112	111	112	110	111	114	115	116	115	118
Hogs	Pounds	234	237	241	244	241	239	239	243	247	247	241	237
Average dressed weight													
Beef	Pounds	605	607	608	609	612	613	619	625	632	632	635	629
Veal	Pounds	119	119	126	128	125	120	123	124	124	116	122	127
Lamb and mutton	Pounds	57	57	56	55	56	55	56	57	58	58	58	59
Pork	Pounds	167	170	172	175	172	171	171	172	176	176	172	169
Production:													
Beef	Mil. lb.	1,955	1,798	1,948	1,850	1,748	1,983	1,869	1,981	1,910	1,786	1,952	1,603
Veal	Mil. lb.	47	37	38	35	32	37	33	35	33	31	32	27
Lamb and mutton	Mil. lb.	22	24	25	24	23	24	24	26	24	23	23	21
Pork	Mil. lb.	1,135	1,053	1,083	1,007	926	1,060	1,057	1,133	1,185	1,072	1,096	959
COMMERCIAL:													
Slaughter:[1]													
Cattle	1,000 head	3,470	3,180	3,436	3,260	3,062	3,458	3,223	3,408	3,269	3,047	3,304	2,736
Calves	1,000 head	439	352	336	318	304	347	316	331	316	300	296	240
Sheep and lambs	1,000 head	502	449	468	457	423	459	455	476	430	411	391	354
Hogs	1,000 head	7,070	6,458	6,557	6,027	5,631	6,481	6,441	6,840	7,042	6,434	6,696	5,947
Production:													
Beef	Mil. lb.	2,074	1,910	2,066	1,962	1,852	2,097	1,974	2,103	2,038	1,902	2,069	1,700
Veal	Mil. lb.	60	50	52	47	44	50	45	48	45	41	41	35
Lamb and mutton	Mil. lb.	28	25	26	25	23	25	25	27	25	24	23	22
Pork	Mil. lb.	1,179	1,093	1,125	1,047	964	1,101	1,095	1,176	1,236	1,129	1,147	1,001
COLD STORAGE STOCKS FIRST OF MONTH:[2]													
Beef	Mil. lb.	319	357	372	389	375	335	316	332	350	388	405	431
Veal	Mil. lb.	13	12	13	11	10	9	8	10	8	8	9	10
Lamb and mutton	Mil. lb.	9	8	9	10	10	12	11	11	12	12	12	11
Pork	Mil. lb.	174	218	281	281	258	218	178	176	207	245	242	225
Total meat and meat products[3]	Mil. lb.	574	662	748	759	722	642	582	596	634	716	724	736
FOREIGN TRADE:													
Imports: (carcass weight)													
Beef and veal	Mil. lb.	199	227	210	193	180	156	213	199	229	202	228	
Pork	Mil. lb.	50	46	40	37	41	33	33	51	40	40	43	
Lamb and mutton	Mil. lb.	3	5	3	3	5	3	3	2	2	3	4	
Exports: (carcass weight)													
Beef and veal	Mil. lb.	12.99	13.45	11.35	14.63	12.59	20.10	15.16	12.43	11.00	15.52	11.26	
Pork	Mil. lb.	19.15	21.50	24.21	20.56	19.15	28.21	26.38	29.97	17.50	25.19	24.81	
Lamb and mutton	Mil. lb.	.55	.21	.16	.11	.10	.16	.12	.08	.21	.91	.18	
Live animal imports:													
Cattle	Number	96,065	145,015	128,024	63,833	46,492	31,540	23,561	52,651	198,228	250,827	97,289	
Hogs	Number	6,386	12,181	15,318	15,701	38,944	41,115	39,498	14,833	6,060	6,277	33,206	
Sheep and lambs	Number	0	36	20	60	1,960	1,025	2,194	4,908	124	864	751	
Live animal exports:													
Cattle	Number	5,351	6,304	7,884	12,134	7,698	21,198	13,549	12,111	13,831	9,767	4,517	
Hogs	Number	1,134	659	475	1,751	798	425	1,423	3,067	1,022	652	1,020	
Sheep and lambs	Number	12,013	3,859	30,148	16,125	11,404	22,435	9,817	7,707	6,479	12,572	3,783	

[1] Federally inspected and other commercial. [2] Beginning Jan. 1977 excludes beef and pork stocks in cooler. [3] Includes stocks of canned meats in cooler in addition to the meats listed. [4] Less than 500,000 lb.

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